



**BUILDING NOVA SCOTIA,
*FASTER***

BUDGET 2024-25

Budget Address

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Budget 2024-25: Budget Address
Finance and Treasury Board
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Introduction

Today I rise to table Budget 2024–25 -- the third budget of the government Nova Scotians elected in 2021.

This budget comes at a time when our economic landscape is shifting.

Nova Scotia's economy and population have grown much more quickly than expected coming out of the pandemic. In 2023, we estimate that Nova Scotia's economy was 20% larger than it was in 2019. That led to higher-than-expected revenues for the provincial government.

But do you know who else that surprised?

The people who agreed with our economic estimates: Canada's largest financial institutions and leading academics here in Atlantic Canada.

Like many other provinces, the government ended up with more revenue than expected.

The unexpected revenues gave us the opportunity to make investments:

- To get Nova Scotians access to the healthcare they need, faster
- To increase the supply of housing for people struggling to find it
- To be responsive to Nova Scotians experiencing wildfires, floods and other extreme weather events
- To help those most in need with the cost of living at a time when many have been finding it hard to make ends meet
- To help volunteers and community organizations provide sport, recreation, arts and cultural experiences after a pandemic when they had no ability to fundraise.

We did this while ending the last two years with a budget surplus and preventing the net debt from rising by almost half a billion dollars.

We continue to receive solid credit ratings:

- Moody's Investor Services' long-term rating of Aa2 stable continues to reflect confidence in the Province's fiscal management and noted "strong management policies support sound fiscal planning and debt management."
- DBRS Limited confirmed our credit ratings at A (high) in November, noting that Nova Scotia has been a perennially strong fiscal performer.
- And S&P confirmed our stable outlook and expressed confidence that our government will keep its focus on long-term fiscal sustainability while also addressing the needs of the population.

Budget 2024–25 reflects our fiscal capacity, builds on the work we have already started and sets a path for the year ahead.

Supporting Nova Scotians and Building Communities

Cost of living has become top of mind for people as we experience some of the highest increases in inflation in 30 years. The number one ask by Nova Scotians in this year's budget consultation was for tax relief.

Madam Speaker, they are going to get it.

Starting January 1, 2025, Nova Scotians will feel income tax relief when they see less money coming off their pay cheques so more of it can land in their pockets.

Provincial income tax brackets will be indexed, the basic personal amount will be indexed and several non-refundable tax credits will be indexed to lower the income taxes people will have to pay.

We appreciate that not everyone experiences the same challenges in the same way, so over the past two and a half years, we have provided a number of programs to help people make ends meet. This budget does more.

500 more renters will get help with the cost of their housing through the rent supplement program. The number of rent supplements has more than doubled from 4,000 two and a half years ago, to 8,500 with this budget.

2,250 homeowners will get help with urgent, emergency repairs or disability-related modifications in their homes with more funding for the Home Repair and Adaptation Program.

No one will pay higher premiums for seniors or family pharmacare.

60% or 15,000 recipients of the Employment Support and Income Assistance program who have disabilities will receive \$300 dollars more per month.

And people who are connected to the labour market and receive Income Assistance will be able to keep more of the wages they earn. We will be increasing the income exemption threshold so they will continue to feel supported as they pursue employment opportunities.

This budget continues to invest in community-based organizations to help with food security programs and give people a source of local, healthy food in their communities.

Madam Speaker, we know that good nutrition is foundational for a child's learning and wellbeing and that the rising cost of food is placing additional pressure on many families.

This year, we will launch the first-ever, province-wide school lunch program. Building on the existing breakfast programs, the school lunch program will ensure that all children have access to healthy, nutritious food leading to a better learning environment.

This program will be phased in over four years, beginning with \$18.8 million this year.

Nova Scotia children deserve to have a strong start in life. This budget invests in several approaches to get them the care they need and to help address childhood poverty.

Efforts continue to expand the resources available to foster families and the children in their care.

More support will be available to young people leaving the Minister's care at the age of 19 who face major life decisions and require additional help during this transition. The EDGE program, which helps prepare youth at risk for the next steps of their education and employment, is expanding, too.

This budget continues to deliver the increased Nova Scotia Child Benefit, a tax-free monthly payment for more than 22,000 families to give their children more of what they need. In the past two years, the annual amount they received has increased by \$600 per child to \$1,525.

Access to specialized services for preschoolers can be difficult. More families waiting for Nova Scotia Hearing and Speech services will be helped this year and we'll see important changes being made to provincial autism services for children.

Our growing province needs more childcare spaces, Early Childhood Educators, teachers and more resources for classrooms--and we continue to respond.

With the help of our federal partners, we have invested \$200 million more in our childcare system over the past three years to lower fees for families, create more spaces and enhance afterschool care.

We're seeing the growth in our school population, too, and since we took office, investments in the public education system have increased over 14% to nearly \$1.7 billion.

This year's Capital Plan includes \$208.5 million to build, renovate and repair schools and install more modular learning spaces to help with student enrolment growth.

This continued expansion is creating more career opportunities for those interested in early childhood education and teaching.

Madam Speaker, we will continue to do everything we can to help those who need it the most.

Unfortunately, there are some Nova Scotians who find themselves without a home and they need our support urgently.

We are working with community partners to provide more options as quickly as we can, including additional supportive housing units, shelter spaces, daytime drop-in centres, or other temporary lodging.

While we know these are not permanent solutions, we will continue to work hard at addressing homelessness and putting the right kind of support in place to help people deal with their individual circumstances.

Madam Speaker, to honour our commitment following the Human Rights Remedy, government is transforming support for people living with disabilities.

Significant changes are underway within the Disability Support Program and more resources than ever before are being made available to people with disabilities so they can make their own decisions and access funding to better meet their needs.

Over the next few years, people will continue to be moved from large institutions and supported in the community, and they will have easier access to clinical programs and mental health supports.

Our focus on equity and anti-racism acknowledges the need for change and further investment. The needs vary, and so do the solutions.

The Office of Equity and Anti-Racism is moving forward with its strategic action plan to help break down barriers for diverse communities.

Important investments are being made to address the recommendations of the final report of the Mass Casualty Commission, to help make it easier for people to access mental health and grief supports.

Transition houses and women's shelters across the province deliver essential programs for women in need, and they will receive more funding this year.

Action for Healthcare

Healthcare continues to be the single largest area of provincial investment, because everyone in this province deserves to know that it is there for them when they or a loved one needs it. The previous government left us with piecemeal approaches that resulted in an outdated system for the care our rapidly growing population requires.

Madam Speaker, this year, a total of \$7.3 billion will be spent on healthcare, a 36% increase over the past three years.

This increased funding ensures Nova Scotia Health, IWK Health and other healthcare providers can deliver programs and services to a province whose population has grown almost 10% in just a few years, while at the same time, transforming the system for a healthier future.

The healthcare system is interconnected. Often, challenges in one area have root causes in another.

For example, one of the root causes of delays in ambulance offload times and emergency department care is the availability of hospital beds. In many cases, Nova Scotians who need a long-term care placement are waiting in a hospital bed, because they can't go home or are waiting for a nursing home bed.

So, the thousands of long-term care beds being built and renovated across the province today not only provide our seniors with new places to call home, but they are also investments in the overall efficiency of the healthcare system.

The introduction of the new LifeFlight plane is another success, ensuring better, faster care. Since it went into service, it has saved nearly 5,200 hours of ground ambulance time. That means more ambulances and paramedics can stay in their communities to respond to local calls instead of driving patients over longer distances for appointments.

When someone needs healthcare in Nova Scotia, they now have more options in their community and at their fingertips. They can access many more services in pharmacy clinics, mobile care clinics, urgent treatment centres and online.

These services were not available three years ago and they may actually be better options for people who didn't have anywhere to go but a hospital emergency department. And I think we can all agree that preventing unnecessary trips to the emergency department is best for everyone.

This year, \$184.3 million more makes way for continued progress on the Action for Health plan and improvements that will have a lasting positive impact system-wide.

More emergency care initiatives. More actions to move patients through the health system more quickly and reduce wait times for surgeries and diagnostic tests. More primary healthcare options and more digital solutions.

We are seeing results.

Last year alone:

- 2,600 more surgeries
- The surgical waitlist was reduced by 27%
- Over 25,000 more CT scans and ultrasounds
- 60,000 more primary care appointments available to Nova Scotians.

Many people suffer from chronic illness. One of the most common is diabetes. This budget will help many Nova Scotians living with diabetes better manage their disease and save them money. With \$7.2 million this year, Nova Scotia will help cover the cost of sensor-based glucose monitors and remove the age cap on the insulin pump program.

Considering a person with diabetes pays up to \$4,000 per year for a sensor-based glucose monitor; over \$6,000 for an insulin pump and \$4,000 for supplies, this is an important investment in the health of more than 4,000 Nova Scotians.

Nova Scotia's cancer rates are among the highest in Canada. However, with critical investments in cancer research, better methods of detection and more effective treatments in recent years, Nova Scotians are living longer with cancer than ever before.

This year, our investment in the battle against cancer continues. With \$61.1 million more, cancer patients will experience new digital imaging technology and equipment that provides adaptive radiation treatment, new precision medicine improvements, and an "at home" cancer care program.

Madam Speaker, our government has been a strong advocate for investment in mental health.

This year, more people will be able to connect to the mental health services they need with \$36.2 million more funding, and the Province will make progress on its commitment to offer universal mental health and addictions care for all Nova Scotians.

We are well into our multi-year plan to build modern healthcare facilities, with significant redevelopment projects in Halifax and Cape Breton Regional Municipality and several other projects to upgrade and expand local healthcare facilities across the province.

The digital backbone of the healthcare system needs attention too, and work is underway to build the One Person One Record system and other I.T. projects.

We will continue to make progress this year on expanding transitional care options and building 5,700 new and replacement long-term care spaces by 2032.

That's good news because three years ago, there were 500 long-term care beds closed due to staffing shortages. Now every bed is in use and making a positive impact on the entire system as we continue to do more.

I'm pleased to say this budget provides more funding for long-term care facilities to deliver improved care to their residents. A \$10.7 million increase will be provided to help them move closer to the new standard of providing 4.1 hours of care to each person every day. This is on top of the significant investments made in safety equipment in the long-term care sector.

Madam Speaker, although we are building more capacity in long-term care homes, we know that many seniors would prefer to stay longer in their own homes which relieves pressure in the healthcare system. We are continuing to invest in programs that help them do just that including:

- the seniors care grant
- the home repair and adaptation program
- home care and home support
- heating assistance rebate
- the seniors provincial tax rebate
- the property tax rebate.

Madam Speaker, people who deliver care are vital to the success of the system -- doctors, nurses, paramedics, Continuing Care Assistants, lab techs -- and we need more of them. We want to encourage more Nova Scotians to work in healthcare and we're making it easier than ever for them to answer the call.

Bursaries, financial incentives and other efforts will continue under this budget, building on the tremendous work already started to recruit, retain and train more healthcare professionals.

The Premier has offered jobs for nursing graduates and has been working with his counterparts across the country to ensure we do not take each other's healthcare workers because we all need them.

We are excited to continue to work with the post-secondary sector and other partners to expand training seats and train more people in healthcare professions, faster.

Building a Skilled Workforce for More Housing and a Stronger Economy

When I was growing up, seasonal employment was common and so were high rates of unemployment. When I graduated from university, there were two graduates for every job.

Things have changed. Today, Nova Scotia does not have the people to fill all the jobs available. We want to help Nova Scotians to position themselves to realize these opportunities. And we want to help Nova Scotian business owners to have access to the people they need to grow their businesses.

With a \$100 million investment over three years--\$46.4 million this year--and changes being made in the apprenticeship system, people will find it easier to enter the skilled trades and get into the job market.

The solutions have come directly from the sectors, including:

- more training seats and training some trades faster
- grants for tools and technology supports
- eliminating certification exam fees for experienced trades professionals
- attracting more women and people from diverse backgrounds
- incentives for employers to hire and advance apprentices
- creating more pathways for newcomers to enter the skilled trades.

And once they make that first step, once they are on the job, they can earn a very good income and build a strong future for themselves.

We're putting more money in the pockets of people under the age of 30 in the skilled trades and film and video occupations through a one-of-a-kind provincial income tax refund. The More Opportunity for Skilled Trades program, or MOST, can help them get their start because we need them to work with us to build our province.

Nurses are now eligible to apply. When they complete their 2023 tax return, and receive their Notice of Assessment, they can apply for MOST to get their provincial taxes back.

Post-secondary students can gain hands-on experience, build their resumes and pay their bills with co-op jobs and internships, and this budget continues to invest in our partnership with Mitacs to support 3,200 paid internships.

Madam Speaker, we need a strong workforce to build the housing our province desperately needs. It's not surprising that housing was one of the top areas of interest from the budget consultation.

Our Action for Housing plan is a forward-looking, five-year housing plan released a few months ago along with a \$1-billion commitment to create the conditions for more than 40,000 new housing units.

Those units will be built in many forms, and we are going to leverage every dollar we can to build the housing people need.

For the first time in more than 20 years that will include new public housing—a critical step in the right direction.

The Capital Plan includes \$35.3 million to build new public housing units and to repair and maintain existing public housing.

And 25 new modular housing units will expand affordable public housing options in 10 communities, for up to 88 new tenants. They will be in place by the end of March.

The private sector can take advantage of our decision to rebate 10% of the provincial HST paid on new construction of purpose-built, multi-unit apartments. That's an investment that could reach \$80 to \$100 million.

Three new NSCC student housing projects are under development, including two that will open this fall in Dartmouth and Pictou. The projects announced to date could create up to 620 spaces for NSCC students, easing the pressure on local housing markets.

Private developers and community housing developers have access to the Affordable Housing Development Program, which provides forgivable loans to help fund the construction of new housing or the conversion of non-residential buildings.

Starting this year, the \$28.6 million program will be expanded, to accept proposals from universities that want to take action on student housing.

Budget 2024–25 invests in strategic infrastructure for a growing economy--to build our communities and connect people to the programs and services they rely on.

A new Cellular for Nova Scotia Program will improve cell coverage in HRM and across the province. Phase 1 will focus on existing infrastructure to keep costs down and Phase 2 will close gaps in the system with new infrastructure.

Our government is maintaining increased investment in local roads:

- With 130% more for local paved roads
- We have nearly tripled funding for gravel roads
- We have more than tripled the funding for local road maintenance.

When it comes to driving Nova Scotia's economic growth, we're focusing on growing strategic sectors.

Nova Scotia is poised to be a world leader in the production and exporter of green hydrogen, which will help us and our global partners transition to cleaner economies.

The Climate Change Plan for Clean Growth, with \$36.7 million this year, will create more opportunities for businesses and community organizations to do their part.

This year's funding will encourage farmers, fishers and their sectors to adopt clean technologies and reduce their energy consumption.

Our rural economy depends on crops, livestock and food production. Work continues to upgrade the dykeland system that supports the agricultural sector. And government is funding pilot projects that bring locally grown food into publicly funded institutions.

As Nova Scotia continues to implement forestry practices to protect ecosystems and biodiversity, \$1.8 million will be provided to help industry adapt to these changes.

Closing

Madam Speaker, our province has changed so much in the last few years. Our population has grown and so have the needs that go with that, but our capacity to respond has also grown.

Our government has been investing in our future. Much of the focus has been on fixing healthcare and responding to the housing and infrastructure needs of a place more people want to call home. Along the way we have helped people with higher costs of living.

This budget brings something new: tax relief.

The wish of this government, and the aim of this budget, is to assure Nova Scotians that their government is taking action so that everyone can realize the opportunity to live in a province with a future that is better for them.

Thank you.