



# Budget

2018–19

*Stronger Services and Supports*



*Highlights*

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## *Stronger Services and Supports*

Budget 2018–19 focuses on strengthening important services and supports so all Nova Scotians have opportunities to grow and succeed.

Government will continue to invest in and make progress on plans to improve healthcare and education (including early years), to create safer, more connected communities, and to strengthen the economy and connect more people to it. Our investments build on our strengths, open more doors for those who have faced barriers, and drive innovation.

We can invest in these, and other strategic areas, because we have a sound fiscal plan that is working. We are in a position to invest in areas that benefit Nova Scotians and truly move our province forward.

## Revenue & Expenses

**Surplus**  
29.4 (\$ million)

**10.81** (\$ billion)  
Total Revenue  
2018–19



**10.78** (\$ billion)  
Total Expenses  
2018–19





## Healthier People and Communities

Since 2013, more than \$24 million has been added to the budget for hip and knee surgeries, bringing the total number of surgeries performed in the last four years to 14,000.

- \$19.6 million this year, as part of a \$39.6 million multi-year plan to recruit and retain more doctors and increase access to primary healthcare
- \$8 million to enhance and expand new collaborative care teams across the province
- \$8.8 million to do 350 more hip and knee surgeries, create a central booking process, and hire more surgeons
- \$5 million for Emergency Health Services (EHS) to meet the demands for ground ambulance services
- \$2.9 million more for mental health care, including more support for youth mental health
- \$1 million more for youth health centres
- \$1.2 million increase in the Take Home Cancer Therapies program to help pay for medications
- \$5.5 million more to help seniors stay in their homes longer, including more home care support and expanding the Caregiver Benefit program
- Upgraded healthcare facilities in Halifax, Dartmouth, and Hants County to support the QEII redevelopment project



## Investing in Early Years and Education

Last year, SchoolsPlus was offered in 273 schools through 31 hub sites, serving about 73% or 87,000 students. SchoolsPlus will be available to all students by 2019–20.

- \$17.6 million to add about 130 new pre-primary classes, as part of a plan to have it available across the province
- \$15.5 million (federal funding) to add up to 1,000 new regulated child care spaces and to expand the subsidy to make child care more accessible, affordable, and inclusive
- \$10 million increase to implement new recommendations of the Council to Improve Classroom Conditions, for a total of \$20 million

- \$15 million to begin implementing recommendations of the Commission on Inclusive Education
- \$1.6 million more to expand SchoolsPlus into 54 more schools, for a total of \$9.8 million
- \$3.3 million increase to expand Reading Recovery to cover 96% of schools this year, with every school having programming in 2019–20
- Opening four skilled trades centres this year at Amherst High School, Sir John A. Macdonald High School (Upper Tantallon), Richmond Academy (Louisdale), and Central Kings Rural High School (Cambridge)
- Continue work on school construction, including in Sheet Harbour, Eastern Passage, Halifax, Spryfield, and Yarmouth



## Safe and Connected Communities

New investments this year will increase the number of small options homes to 230 across the province.

- \$16.2 million increase in Disability Support program to help more people move out of institutions, to improve respite care, and to fund more complex client cases
- \$2.1 million to help create eight small options homes and two community options homes
- \$3 million to double the poverty reduction credit to \$500
- \$4 million for initiatives under the Blueprint to End Poverty, as part of a four-year, \$20-million commitment
- \$3.4 million to fully exempt child support payments from income assistance calculations
- \$2 million to help prevent domestic violence, the first year of a four-year commitment
- \$12.4 million more to further improve public housing buildings
- \$3 million to offer 400 more rent supplements to low income Nova Scotians
- \$60 million more, for a total of \$285 million in capital spending, to improve and maintain the province's roads, highways, and bridges
- \$5 million increase to the highway maintenance budget to improve safety
- Work on three significant twinning projects on 100-series highways, as part of an ongoing multi-year plan



## Inclusive Economic Growth

Since 2007, the number of apprentices grew by 33% and apprentices from diverse groups have quadrupled in the past 10 years.

- \$1.7 million to expand Graduate to Opportunity to connect new graduates to employers, with added incentives for hiring from under-represented groups
- \$356,000 to help an additional 89 student interns through the Mitacs Accelerate program, for a total of 250 placements
- \$1.5 million more to increase work incentives for people receiving income assistance
- \$460,000 increase to the Office of Immigration to help international marketing and recruitment efforts
- \$500,000 more for incubators and accelerators, which support startup companies
- \$485,000 to create a market-readiness program for startup companies
- \$2.5 million more for the Innovation Rebate program to encourage private sector investment in capital projects
- \$3 million for the Centre for Ocean Ventures Entrepreneurship (COVE) project to foster innovation in the ocean sector, cost-shared with the federal government
- \$3 million for the new Building Tomorrow Fund to support innovation in agriculture, fisheries, and aquaculture sectors
- \$5.8 million added to the Atlantic Fisheries Fund

(\$ thousands)	Estimate 2017-18	Forecast 2017-18	Estimate 2018-19
Total Revenues	10,573,661	10,740,636	10,810,152
Total Expenses	10,512,442	10,675,586	10,862,621
Consolidation and Accounting Adjustments	70,391	68,462	81,899
<b>Provincial Surplus (Deficit)</b>	<b>131,610</b>	<b>133,512</b>	<b>29,430</b>
Contribution to Fiscal Capacity for Provincial Health Complex	(110,300)	(110,300)	---
<b>Net Position</b>	<b>21,310</b>	<b>23,212</b>	<b>29,430</b>
<b>Provincial Revenue Sources</b>			
Personal Income Tax	2,710,594	2,741,333	2,816,066
Corporate Income Tax	506,627	540,588	531,267
Harmonized Sales Tax	1,829,442	1,797,704	1,858,125
Cannabis Tax		---	10,400
Motive Fuel Tax	266,655	264,506	272,440
Tobacco Tax	220,119	215,172	214,118
Other Tax Revenue	160,416	166,654	165,961
Registry of Motor Vehicles	131,464	133,084	131,966
Royalties - Petroleum	11,973	11,095	5,954
Other Provincial Sources	149,831	150,406	229,303
TCA Cost Shared Revenue	60,316	62,282	2,249
Other Fees and Charges	61,710	62,692	61,793
Gain (Loss) on Disposal of Crown Assets	444	733	---
Prior Years' Adjustments	---	107,120	---
Interest Revenues	79,551	77,014	85,384
Sinking Fund Earnings	100,519	101,090	107,670
Ordinary Recoveries	359,055	366,551	361,703
Net Income from Government Business Enterprises	378,754	387,524	381,255
<b>Total - Provincial Sources</b>	<b>7,027,470</b>	<b>7,185,548</b>	<b>7,235,654</b>
<b>Federal Revenue Sources</b>			
Equalization Payments	1,750,644	1,794,968	1,820,257
Canada Health Transfer	967,248	965,873	996,467
Canada Social Transfer	357,960	357,451	365,720
Offshore Accord	19,957	19,957	18,092
Crown Share	3,046	(276)	1,423
Other Federal Sources	24,014	13,389	28,340
TCA Cost Shared Revenue	72,988	73,884	50,356
Prior Years' Adjustments	---	(543)	---
Ordinary Recoveries	350,334	330,385	293,843
<b>Total - Federal Sources</b>	<b>3,546,191</b>	<b>3,555,088</b>	<b>3,574,498</b>
<b>Expenses</b>			
Agriculture	41,992	50,121	49,615
Business	196,137	304,927	156,111
Communities, Culture and Heritage	84,295	98,473	88,046
Community Services	949,621	958,158	989,698
Education and Early Childhood Development	1,317,657	1,324,804	1,397,782
Energy	29,004	52,898	31,462
Environment	37,239	36,472	37,516
Finance and Treasury Board	23,100	20,996	23,446
Fisheries and Aquaculture	15,062	15,062	20,889
Health and Wellness	4,214,153	4,264,448	4,367,099
Internal Services	189,091	190,403	189,497
Justice	340,711	340,711	354,581
Labour and Advanced Education	376,151	379,300	389,373
Assistance to Universities	433,079	473,343	425,272
Municipal Affairs	332,423	286,890	212,581
Natural Resources	77,178	77,545	79,601
Public Service	217,153	214,656	210,298
Seniors	2,301	2,267	2,709
Transportation and Infrastructure Renewal	465,774	479,399	477,545
Restructuring Costs	163,421	88,002	190,241
Refundable Tax Credits	125,472	115,213	146,883
Pension Valuation Adjustment	31,214	63,785	128,803
Debt Servicing Costs	850,214	837,713	893,573
<b>Total - Expenses</b>	<b>10,512,442</b>	<b>10,675,586</b>	<b>10,862,621</b>

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Net Debt (\$ billions)	15.0	15.1	15.2	15.3	15.5	15.5
Nominal GDP (\$ billions)	41.7	43.1	44.3	45.6	47.2	48.4
Net Debt to GDP (ratio)	35.8%	34.9%	34.2%	33.5%	32.8%	32.1%