

Budget

2017–2018

Opportunities for Growth



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Budget 2017–2018 focuses on providing opportunities for all Nova Scotians no matter where they live.

Government is making strategic investments that fund creativity and fuel entrepreneurs to create a better economy, improve the health and well-being of our people, and reduce taxes for the middle class, small businesses, and those who need it most. Our investments build on our strengths and traditions, encourage new ways of doing things, and help businesses play on the global stage.

We can invest in these, and other strategic areas, because we stuck to our financial plan. We are now in a stronger position to invest in new opportunities for growth.

Revenue & Expenses



| | Estimate | Actual | Estimate | | | |
|---|-------------------|-------------------|-------------------|----------------|----------------|----------------|
| (\$ thousands) | 2016-2017 | 2016-2017 | 2017-2018 | | | |
| Total Revenues | 10,264,252 | 10,208,007 | 10,573,661 | | | |
| Total Expenses | 10,145,614 | 10,086,285 | 10,512,442 | | | |
| Consolidation and Accounting Adjustments | 8,773 | 27,842 | 70,391 | | | |
| Provincial Surplus (Deficit) | 127,411 | 149,564 | 131,610 | | | |
| Contribution to Fiscal Capacity for Provincial Health Complex | (110,300) | --- | (110,300) | | | |
| Net Position | 17,111 | 149,564 | 21,310 | | | |
| Provincial Revenue Sources | | | | | | |
| Personal Income Tax | 2,671,599 | 2,636,616 | 2,710,594 | | | |
| Corporate Income Tax | 466,644 | 513,038 | 506,627 | | | |
| Harmonized Sales Tax | 1,814,007 | 1,778,545 | 1,829,442 | | | |
| Motive Fuel Tax | 271,718 | 258,501 | 266,655 | | | |
| Tobacco Tax | 227,252 | 222,234 | 220,119 | | | |
| Other Tax Revenue | 158,745 | 164,998 | 160,416 | | | |
| Registry of Motor Vehicles | 127,534 | 133,077 | 131,464 | | | |
| Royalties - Petroleum | 10,508 | 9,870 | 11,973 | | | |
| Other Provincial Sources | 144,736 | 138,662 | 149,831 | | | |
| TCA Cost Shared Revenue | 59,900 | 2,653 | 60,316 | | | |
| Other Fees and Charges | 61,978 | 62,511 | 61,710 | | | |
| Gain (Loss) on Disposal of Crown Assets | 1,400 | 5,804 | 444 | | | |
| Prior Years' Adjustments | --- | (5,803) | --- | | | |
| Interest Revenues | 77,901 | 81,777 | 79,551 | | | |
| Sinking Fund Earnings | 91,660 | 90,475 | 100,519 | | | |
| Ordinary Recoveries | 332,074 | 363,797 | 359,055 | | | |
| Net Income from Government Business Enterprises | 382,228 | 394,591 | 378,754 | | | |
| Total - Provincial Sources | 6,899,884 | 6,851,346 | 7,027,470 | | | |
| Federal Revenue Sources | | | | | | |
| Equalization Payments | 1,738,321 | 1,732,893 | 1,750,644 | | | |
| Canada Health Transfer | 942,770 | 944,419 | 967,248 | | | |
| Canada Social Transfer | 348,901 | 349,511 | 357,960 | | | |
| Offshore Accord | 33,255 | 33,255 | 19,957 | | | |
| Crown Share | 1,427 | 2,176 | 3,046 | | | |
| Other Federal Sources | 6,115 | 4,684 | 24,014 | | | |
| TCA Cost Shared Revenue | 73,124 | 24,337 | 72,988 | | | |
| Prior Years' Adjustments | --- | 1,244 | --- | | | |
| Ordinary Recoveries | 220,455 | 264,142 | 350,334 | | | |
| Total - Federal Sources | 3,364,368 | 3,356,661 | 3,546,191 | | | |
| Expenses | | | | | | |
| Agriculture | 60,217 | 65,135 | 41,992 | | | |
| Business | 137,450 | 131,689 | 196,137 | | | |
| Communities, Culture and Heritage | 81,689 | 97,925 | 84,295 | | | |
| Community Services | 929,957 | 932,731 | 949,621 | | | |
| Education and Early Childhood Development | 1,279,532 | 1,274,121 | 1,317,657 | | | |
| Energy | 29,597 | 36,736 | 29,004 | | | |
| Environment | 36,800 | 36,381 | 37,239 | | | |
| Finance and Treasury Board | 22,782 | 26,911 | 23,100 | | | |
| Fisheries and Aquaculture | 12,464 | 12,289 | 15,062 | | | |
| Health and Wellness | 4,132,209 | 4,104,616 | 4,214,153 | | | |
| Internal Services | 185,447 | 186,051 | 189,091 | | | |
| Justice | 330,388 | 329,559 | 340,711 | | | |
| Labour and Advanced Education | 364,271 | 381,635 | 376,151 | | | |
| Assistance to Universities | 380,605 | 441,622 | 433,079 | | | |
| Municipal Affairs | 184,383 | 198,435 | 332,423 | | | |
| Natural Resources | 76,487 | 79,478 | 77,178 | | | |
| Public Service | 205,869 | 198,838 | 217,153 | | | |
| Seniors | 1,598 | 1,526 | 2,301 | | | |
| Transportation and Infrastructure Renewal | 460,766 | 522,279 | 465,774 | | | |
| Restructuring Costs | 187,538 | 53,640 | 163,421 | | | |
| Refundable Tax Credits | 137,602 | 133,738 | 125,472 | | | |
| Pension Valuation Adjustment | 66,251 | 17,191 | 31,214 | | | |
| Debt Servicing Costs | 841,712 | 823,759 | 850,214 | | | |
| Total - Expenses | 10,145,614 | 10,086,285 | 10,512,442 | | | |
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Net Debt | 15.1 | 15.0 | 15.1 | 15.2 | 15.3 | 15.5 |
| Nominal GDP | 40.2 | 41.2 | 42.5 | 43.5 | 44.8 | 46.4 |
| Net Debt to GDP (ratio) | 37.5% | 36.3% | 35.5% | 34.9% | 34.1% | 33.4% |

Infrastructure

Government maintains the province's 23,000 kilometres of roads and highways and 4,100 bridges.



- Undertake planning, design and construction of three new twinned highways over the next seven years, plus construction of four new interchanges
- Provide new and upgraded healthcare facilities in Halifax, Dartmouth, and Hants County to support the QEII redevelopment project
- Repair and rebuild gravel roads — \$10 million each year of new multi-year program
- Build new schools in Spryfield, Tatamagouche, Bridgetown, Bible Hill, Sheet Harbour, Eastern Passage, Dartmouth, Halifax, and Yarmouth
- \$40 million for municipal clean water and waste-water projects
- \$38 million for affordable housing, including creating new affordable housing units and improving affordable housing options, in partnership with the federal government

Youth & Jobs

Over the last two years, the province's youth programs have helped more than 4,500 young Nova Scotians stay and work here.



- \$1.7 million increase to the Graduate to Opportunity program and \$1.7 million to fund a new program for employers to hire recent Masters and PhD graduates
- \$1.3 million to eliminate the tuition apprentices pay for technical training
- \$4.5 million to roll-out at least 52 pre-primary classes at 45 new sites with early learning programming for 4-year-olds
- \$2.1 million for coding and computer skills and to continue to expand Reading Recovery to 73 more schools
- \$1.8 million to increase community and mental health supports for students, through the SchoolsPlus program
- \$1.4 million for additional school psychologists and speech-language pathologists
- \$800,000 to support families with children with autism through a new pilot program and regional centres

New Ideas for a Better Economy

Nova Scotia had a banner year of exports in 2016, reaching \$1.8 billion in fish and seafood exports, and record tourist visits, up 8 per cent.



- Reduce taxes for 1,800 small and medium-sized businesses by increasing the small business tax threshold to \$500,000 from \$350,000
- \$14.5 million for rural high-speed Internet
- \$1.3 million to increase opportunities for more export and trade, including a new export accelerator program
- \$4 million to support innovation initiatives, including a new rebate program and more support for business start-ups
- \$2.5 million in the first year, for a total investment of \$38 million over seven years, in the Atlantic Fisheries Fund
- \$500,000 more to double the Small Business Development program
- \$2 million to revitalize the province's key tourism sites
- \$2.1 million to support the new Culture Action Plan

Support for an Aging Population

By 2030, more than one in four Nova Scotians will be aged 65 and over.



- \$395,000 to establish a social innovation lab focused on aging
- \$50,000 for a community Internet/digital literacy training project
- \$30,000 to promote entrepreneurship for older adults
- \$3.2 million to increase food budgets and enhance recreational programming for residents in long-term care facilities
- \$250,000 more for the Seniors Safety and Age-Friendly Community grant programs
- \$7.9 million to meet the needs of Nova Scotians age 65 and older enrolled in the Seniors Pharmacare Program
- Increase access to affordable housing for older adults, and invest in home repair programs for low-income home owners

Healthy People & Communities

More than 14,000 Nova Scotians receive home care services on any given day. Since 2013, more than \$64 million has been added to the home care budget.



- Reduce taxes for more than 500,000 people in the middle class and people who need it most by increasing the basic personal amount by up to \$3,000 for taxable incomes up to \$75,000, effective January 1, 2018
- \$6 million to advance new collaborative care teams across the province, increasing access to family doctors, nurses, and other primary care providers for thousands more Nova Scotians
- \$1.2 million increase to help foster parents meet the day-to-day needs of the children in their care
- \$440,000 more for the Maintenance Enforcement program to help more families get the money owed to them
- \$2 million to create and begin to implement a plan to address poverty in Nova Scotia
- \$2.4 million more to support recruitment and retention of doctors
- \$5.1 million more for home care, including increases for the self-managed care and the caregiver benefit programs
- \$6.4 million more to perform additional orthopedic surgeries and offer prehabilitation services, reducing surgical wait times
- \$846,000 to create a new take home therapies cancer program to help patients pay for high drug deductibles and co-payments
- \$1.4 million to expand treatment options and act on the Opioid Use and Overdose Framework
- \$5 million to enhance mental health programs, including \$1.8 million to expand youth mental health services and outreach
- Advance plans for dialysis units in Bridgewater, Kentville, Digby, and Glace Bay, and expand services in Halifax and Dartmouth
- \$3.9 million to support more people with disabilities to live independently in the community
- \$1.1 million to continue work to address sexual violence