



BUSINESS ***PLAN*** ***2024-25***

Finance and Treasury Board

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Finance and Treasury Board

2024-25 Priority Actions in Support of Government's Business Plan

The Department of Finance and Treasury Board works to preserve the financial capacity of the Government of Nova Scotia to provide public programs and services, by providing advice on fiscal sustainability for the province.

To deliver its mandate, the Department is guided by its core functions of: budget and fiscal plan development; financial accounting; expenditure and financial management; financial advisory services; corporate strategic initiatives; revenue estimates and federal transfers; tax policy, administration, and credits; economic and demographic forecasting, statistics, policy analysis, and modelling; liability and treasury management; lending to municipalities, capital markets administration and compliance; regulation of pensions and select financial institutions; oversight on gaming operations, policy oversight to specific agencies, boards, and commissions; and labour relations.

The Department will be focused on the following priority areas for 2024-25:

Meeting government's fiscal objectives

Financial leadership and analysis are both key to building a sustainable sound fiscal framework, which is critical to the success of the government's initiatives and delivery of public services. The Department provides advice for strong financial management and fiscal prudence to enable government to allocate resources to priorities that are important to Nova Scotians.

Progress will be measured and reported in the province's annual budget, forecast updates, and public accounts, based on the key performance measures described below. These measures are also monitored by the Auditor General of Nova Scotia.

Fiscal Sustainability: the degree to which a government can maintain programs and meet creditor requirements without increasing the debt burden on the economy. The primary measure for fiscal sustainability is the net debt to nominal Gross Domestic Product (GDP) ratio.

Flexibility: the degree to which a government can increase its financial resources to respond to rising commitments by expanding its revenues or increasing its debt burden. The typical measure of government financial flexibility is the ratio of debt servicing costs in relation to the total revenue in a given year.

Vulnerability: the degree to which a government becomes dependent on, and therefore vulnerable to, sources of funding outside of its control or influence, both domestic and international. The measure often used for the vulnerability of government finances is the ratio of federal government transfers in relation to the total revenues of a provincial government.

Monitoring changes in the economic and demographic conditions for Nova Scotians

In remaining focused on our main goal of fiscal sustainability, in 2024-25 the Department will continue to provide advice to inform the government's response to the impact of economic and demographic changes in Nova Scotia.

Tax measures

Effective for 2022, the Department has introduced a number of new measures including More Opportunities for Skilled Trades (MOST), Non-resident Deed Transfer Tax, the Fertility and Surrogacy Rebate, and the Children's Sports and Arts Tax Credit. In 2024-25, the Department will continue to implement and administer these initiatives, including the expansion of MOST to include eligible nurses, as well as the indexation of personal income tax brackets, basic personal amount and certain other credits as announced in Budget 2024-25.

Labour relations

The Department is responsible for labour relations and oversees more than 300 collective agreements with approximately 200 employers, 20 unions and professional associations across several public sectors. In 2024-25, the government will continue to engage in fair, open and meaningful negotiations with public sector unions.

Financial sector supervision and pension regulation

The Department is responsible for regulating select financial institutions such as insurance companies, credit unions, as well as private pension plans. In 2024-25, the Department will conduct a review of its insurance agent and agency licensing regime to further strengthen consumer protection and collaborate with the credit union system and Atlantic regulators to implement a comprehensive response plan for credit unions in Atlantic Canada in the event of a future liquidity shortfall.

Gaming oversight

Through the Gaming division, the Department is responsible for the regulated gambling industry in Nova Scotia. In 2024-25 the Department will continue to oversee a viable and socially responsible industry that returns all profits to government to benefit all Nova Scotians.

Alcohol retail policy

In 2024-25, the Department will continue to work with other departments and industry to phase out the Nova Scotia Liquor Corporation's Emerging Wine Regions Policy (EWRP). On June 30, 2020, Canada reached a settlement agreement with Australia following its challenge of the EWRP through the World Trade Organization. Per the terms of the agreement, Nova Scotia has four years to end the EWRP.

Inclusion, diversity, equity, and accessibility

Inclusion, diversity, equity and accessibility continue to be priorities for the Department. In 2024-25 the Department will continue to implement its Accessibility Plan, working towards meeting government's 2030 accessibility commitments.

Financial Summary

Finance and Treasury Board Departmental Expenses Summary			
(\$ thousands)			
	2023-24 Estimate	2023-24 Forecast	2024-25 Estimate
<u>Programs and Services</u>			
Senior Management	1,230	1,383	1,543
Financial Institutions and Pensions	1,698	1,439	1,524
Liability Management and Treasury Services	1,147	1,330	1,075
Controllers Office	3,748	3,337	3,571
Treasury Board Office	2,343	2,151	2,309
Labour Relations and Compensation	1,285	1,227	1,506
Financial Advisory Services	16,045	14,577	18,069
Fiscal Policy, Economics & Budgetary Planning	5,342	7,664	17,137
Gaming Division	2,898	1,675	2,056
Total - Departmental Expenses	35,736	34,783	48,790
Ordinary Recoveries	380	293	323
<u>Funded Staff (# of FTEs)</u>			
Department Funded Staff	271.5	248.4	289.5
Note:			
For Ordinary Revenues, see Estimates and Supplementary Detail Book, Chapter 2			
For TCA Purchase Requirements, see Estimates and Supplementary Detail Book, Chapter 1			