



# **Business Plan**

**2023-24**

**Finance and Treasure Board**



**NOVA SCOTIA**

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## Finance and Treasury Board

### 2023-24 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, 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 2023-24:

#### *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 that allows the government to allocate resources to the important priorities of Nova Scotians.

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

**Fiscal Sustainability:** Fiscal sustainability is the degree to which a government can maintain programs and meet creditor requirements without increasing the debt burden on the economy<sup>1</sup>. The primary measure for fiscal sustainability is the net debt to nominal Gross Domestic Product (GDP) ratio.

**Flexibility:** Flexibility is the degree to which a government can increase its financial resources to respond to rising commitments, by either expanding its revenues or increasing its debt burden.<sup>2</sup> 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:** Vulnerability refers to 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.<sup>3</sup> The measure often used for the vulnerability of government finances is the amount of

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<sup>1</sup> SORP-4, *Indicators of Financial Condition*, Public Sector Accounting Handbook, CPA Canada.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

federal government transfers in relation to the total revenues of a provincial government (federal transfers as a percentage of total revenue).

### *Monitoring changes in the economic and demographic conditions for Nova Scotians*

In remaining focused on our main goal of fiscal sustainability, in 2023-24 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*

The department is working to achieve the commitments of the Minister's mandate letter, primarily comprised of tax measures. In 2023-24, the department will develop and implement any necessary regulations for the new tax measures that were announced in Budget 2022-23. These include the More Opportunities for Skilled Trades (MOST), Deed Transfer Tax, Fertility and Surrogacy Rebate, and the Children's Sports and Arts Tax Credit.

In 2023-24, the department will continue to implement these initiatives, undertake analysis, and provide advice to the government regarding the remaining tax commitments in the Minister's mandate letter.

### *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 2023-24, the government will continue to engage in fair, open and meaningful negotiations with public sector unions.

### *Supporting new divisions in the department*

Following recommendations from the government's review of Crown agencies in 2022-23, staff from the Nova Scotia Gaming Corporation and the former Nova Scotia Municipal Finance Corporation joined the department effective December 1, 2022. This resulted in the creation of the new Gaming division and Municipal Finance division. As well, in 2022-23 the department created the Provincial Tax Policy and Administration division to implement the tax measures announced in Budget 2022-23.

In 2023-24, the department will continue to support the integration of these new divisions.

### *Inclusion, diversity, equity, and accessibility*

Inclusion, diversity, equity and accessibility continue to be priorities for the department. The department continues to explore ways to ensure these priorities are incorporated and gathers data on hiring and training to identify potential areas of improvement. In 2023-24, the department will work to finalize its accessibility plan and will take steps to help meet the government's 2030 accessibility commitments.

## Financial Summary

<b>Finance and Treasury Board Departmental Expenses Summary (S thousands)</b>			
	<b>2022-23 Estimate</b>	<b>2022-23 Forecast</b>	<b>2023-24 Estimate</b>
<b>Programs and Services</b>	(\$thousands)	(\$thousands)	(\$thousands)
Senior Management	3,551	3,677	4,075
Controller's Division	2,570	2,595	3,748
Treasury Board Office	2,239	2,180	2,343
Labour Relations and Compensation	1,031	1,349	1,285
Financial Advisory Services	14,398	13,212	16,045
Fiscal Policy, Economics and Budgetary Planning	5,088	4,849	5,342
Gaming	0	623	2,898
<b>Total – Departmental Expenses</b>	<b>28,877</b>	<b>28,485</b>	<b>35,736</b>
<b>Additional Information:</b>			
Fees and Other Charges	285	281	285
Ordinary Recoveries	301	273	380
<b>Provincial Funded Staff (FTEs) Net</b>	<b>240.0</b>	<b>225.2</b>	<b>271.5</b>

