

Unlocking Our **POTENTIAL**

BUDGET 2025-26



Government Business Plan



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Introduction

The Nova Scotia Government has a plan to unlock our province’s potential and achieve the things that matter most to Nova Scotians—an affordable, safe and welcoming place to live, great healthcare, an education that empowers the next generation and good jobs. Our province has taken important strides, but more needs to be done to build an economy capable of underpinning further change and to realize the opportunities we all want.

Nova Scotia’s 2025-26 Government Business Plan brings our economy and the urgent need to capitalize on the resources, energy, skills and knowledge the world needs into sharp focus. It is time to maximize our advantages and become more self-sufficient. We have what we need to succeed. Each region of our province has a unique advantage. From forest products to seafood, technology to banking, human resources to healthcare, mining to wind power there are innumerable ways for Nova Scotia to grow. We will unlock our full potential with our highly skilled, expanding and diverse workforce, creative entrepreneurs, resource and technology developers, researchers and burgeoning innovation and business ecosystems.

At the same time, we will stay the course and continue to reshape healthcare through Action for Health – the Province’s initial phase of healthcare transformation. As a compassionate government, we will do what is right. We will continue to support those who need help and create pathways that allow Nova Scotians to lead productive, independent lives. Efforts to expand housing options, combat poverty and homelessness, support healthy, inclusive communities and make life more affordable through an economy that generates more good jobs will remain on track.

As our economy grows, all Nova Scotians will benefit from more money in their pockets, increased investment in our social systems, and a greater sense of stability.

Economy and Resources

In 2025-26, Nova Scotia's economy and support for the conditions needed to capitalize on our untapped opportunities come front and centre. In pursuit of greater self-reliance, we will pivot to more profitable endeavours, diversify our products, services and trading partners, and expand the opportunities we consider. The Department of Growth and Development will lead government efforts and work with our partners to make our province competitive. Working with Crown corporations, this new department will encourage entrepreneurship, attract venture capital and grow key sectors of the economy. Nova Scotia is saying "yes" to business, smart resource development, better-paying industries and jobs and a higher standard of living. And we are saying "no" to barriers and red tape that stand in the way of growth.

Diversifying Trade with Dependable Partners

Nova Scotia has driven efforts to reduce red tape and trade barriers between the provinces and made inroads with a broader array of trading partners. However, the United States remains Canada's and Nova Scotia's largest trade partner. Any tariffs on Canadian and Nova Scotian goods entering the United States would weaken economic growth, create uncertainty for businesses and make life less affordable for everyone above and below the border. We will defend existing, mutually beneficial relationships, but make no mistake, if pressed Nova Scotia will respond. More importantly we will fortify diverse trade partnerships and expand exports of premium-quality Nova Scotia seafood, forestry, agriculture and other dynamic products into new and emerging markets as we take action to dismantle internal trade barriers.

Clearing the Way for Business & Resource Growth

Celebrating our loyalty to local products through Nova Scotia Loyal was only the beginning. We will amplify our buy-local efforts, look for more opportunities for institutional procurement of local products, and create the conditions for local businesses to start here and soar globally. In 2025-26, the small business tax rate will drop to 1.5 per cent, and the threshold for businesses who can use this rate will increase to \$700,000. This move will put more capital in the hands of businesses to re-invest and grow.

Climate change, rising costs and labour shortages are creating new obstacles in the fisheries, aquaculture, farming and forestry sectors. Nova Scotia is working to improve national programs supporting farmers and extending the Advancing Clean Technologies Program to help farmers adapt. We are encouraging innovation and preparation for climate change through the Fisheries and Aquaculture Energy Efficiency Innovation Fund, entering round two of funding in 2025-26. We are strengthening our regulatory and enforcement responsibilities and addressing illegal activities in the seafood sector. Additional funding will help Nova Scotia realize its commitment to plant up to 21 million trees as part of the national 2 Billion Trees Program to address climate change, biodiversity loss and a healthy forest ecosystem. The Province is developing new opportunities for economic growth in the wine, grape, beef and aquaculture sectors, including issuing leases and licenses for the province's first aquaculture development area.

Our province is making a name for itself in start-ups and technology. Innovation drives economic growth, and this sector is on the leading edge. We will continue nurturing entrepreneurship and innovation by encouraging research and development related to provincial priorities and opportunities like electricity storage, funding our innovation ecosystem through incubators, accelerators and hubs and expanding Nova Scotians' access to high-speed internet. The Province's Community Economic Development Fund will continue to help sectors and communities increase economic competitiveness and productivity.

Transitioning to Green Energy

Nova Scotia's 2030 Clean Power Plan will phase out coal, make renewables 80 per cent of our energy mix, and reduce greenhouse gas emissions, putting us on the path to net zero. Our plan will make Nova Scotia a world-class hydrogen energy producer and a global player in wind energy.

We will build these and other green energy sectors to transform our economy and environment. The new Clean Energy Fund will help communities implement clean energy projects across the province. We will commence work on a clean investment strategy to help Nova Scotia businesses prepare to respond to the needs of a clean economy. As a critical component in rechargeable batteries that power devices and vehicles, lithium is fueling the green energy transition. Nova Scotia is lithium-rich and has other vital minerals like uranium. Developing our critical mineral sector could put our province at the top of the global supply chain, contributing to green transition and digitalization. Nova Scotia's Critical Minerals Strategy is advancing our transition to net-zero emissions and the green economy. Coal, oil and natural gas will play an ongoing role in the transition to renewables as energy demand continues to rise. Nova Scotia has oil, natural gas and coalbed methane, and we will examine the opportunities presented. New investments will create more opportunities for racialized and Indigenous workers in the energy and clean technologies sector.

Building Infrastructure

Infrastructure investment is vital for growth. Major projects over the past few years, including the twinning of the 100-series highways, have enabled trade, connected workers to jobs and allowed people to settle in rural communities. The Government will continue to make significant investments that build on this work and ease traffic congestion.

In 2025-26, the Government will undertake major highway and road projects, repaving and bridge replacements. Investments in the Strait of Canso Superport will support future wind energy projects and the development of the green hydrogen sector. We will protect farmlands and communities from flooding, and help municipalities support growth, renew infrastructure, and increase cellular access. We will also begin to explore rapid transportation options, including rail.

Fostering Workforce Development and Employment

Safe, inclusive, positive and effective schools prepare our young people to succeed in life and help capitalize on our opportunities. In 2025-26 we will build on the progress made in inclusive education, curricula development, integrated services, instructional settings and in increasing the number of teachers in Nova Scotia while we invest in new and existing schools to meet the demands of a growing population.

We are making our schools safer for students and staff and putting the focus on learning. We have already removed cell phones from classrooms. Building on that, a safe school strategy will establish standards for student behaviour and give school administrators more tools to prevent issues and respond. This includes updating the Provincial School Code of Conduct Policy, developing behaviour strategies and updating school emergency management guidance. Nova Scotia is piloting untapped resources and approaches, including student supervisors, security guards, child and youth care practitioners, educational and teaching assistants, and teachers specializing in behaviour and classroom management.

Growth in the skilled trades remains a focus as we meet the needs of a growing province and create opportunities for the next generation. Nova Scotia will build on ongoing actions to accelerate the growth in the skilled trades needed to build the next generation of homes, hospitals and roads. High school students are also getting the opportunity to gain experience in skilled trades and enter the workforce earlier. The High Skills Major Certificate in the trades, technology, healthcare and the arts is giving high school youth real-world opportunities in their chosen field and qualified grade 12 students can enter skilled trades programs at Nova Scotia Community College (NSCC) sooner. Programs like the More Opportunity for Skilled Trades and Occupations (MOST) provincial income tax refund and the Critical Construction Worker Pilot focused on residential building trades are making Nova Scotia more attractive. As Nova Scotia grows the number of apprenticeships and modernizes the apprenticeship and trades qualification system, grants are helping apprentices purchase the tools and technology they need for their careers.

Nova Scotia's labour force has grown. We will continue to support diverse workforces and economic opportunities for Nova Scotians, especially in the areas of healthcare, social assistance and construction. With lower allocations, settlement and retention will be important as will integrating more Nova Scotians into the workforce. Continued investments in arts, culture, sport and recreation will support healthy, vibrant and inclusive communities where people want to live.

Affordability and Housing

While inflation has eased, the cumulative impact of price increases over several years has put pressure on many Nova Scotians. We all want the next generation to experience a quality of life better than our own, to be able to settle here, raise a family and work to contribute to the province's success. In 2025-26, the Province will continue investing in measures that empower Nova Scotians and make life and having a place to call home more affordable.

Increasing Incomes and Addressing Poverty

As we implement our economic plan, we will make historic changes that allow Nova Scotians to keep more of the money they earn and gain relief from financial pressures. On April 1, 2025, Nova Scotia will reduce the provincial portion of the Harmonized Sales Tax for the first time, bringing it to 14 per cent. The Province is also increasing the basic personal amount Nova Scotians can deduct on provincial taxes and indexing tax brackets to prevent Nova Scotians from paying more tax as incomes grow with inflation. The Guaranteed Income Supplement (GIS) provincial tax refund will provide low-income seniors with a refund to help meet their daily needs. Nova Scotia's minimum wage will continue its upward climb in 2025 to \$15.70 on April 1 and \$16.50 on October 1.

In 2025, Nova Scotia will also increase income assistance payments annually based on the annual consumer price index to reflect the cost of living. This move will help clients afford the higher cost of essentials like food and heat. The Government has increased funding for homelessness by 360 per cent over the last two years. Collaborating with our partners, we will continue to take meaningful action through emergency shelters, transitional and supportive housing and wrap-around support for at-risk families.

These changes build on work to make our lives more affordable and reduce poverty, including recent increases to earned income exemption thresholds, removal of highway tolls, the Income Assistance Disability Supplement, the Financial Stabilization Payment for families that lose the Canada Child Benefit because their children are in temporary care and specific investments to address child poverty including increases to the Nova Scotia Child Benefit.

Making Housing and Essentials More Affordable

In 2025-26, Our Homes, Action for Housing, the provincial housing plan, enters its third year of work. Already, the Government has created conditions that pave the way for over 51,000 new housing units, helped make life more affordable for over 16,000 households, improved housing conditions for more than 38,500 households, constructed new housing for post-secondary students, and made the largest investment in public housing in 30 years.

In the year ahead, the Province will continue implementing its housing plan to increase the housing supply, grow and sustain affordable housing and deliver the programs people need. Efforts will focus on clearing the path for faster housing construction and ensuring rent supplements keep pace with inflation. Work to shift all public housing clients to the rent-geared-to-income model will continue to ensure rent is no more than 30 percent of income. Work is underway to address housing challenges unique to the African Nova Scotian community.

New funding will support the construction and renovation of net-zero homes and multi-residential properties, including affordable housing, as we increase the amount of renewable energy that buildings can use to generate power. Investments in student housing projects will increase supply and ease pressure on the housing market.

Government is easing the financial burden on Nova Scotians in other ways. In 2025-26, we will bring the Nova Scotia School Lunch Program to more schools and continue to make childcare increasingly affordable. We will increase access to free parking at Nova Scotia Health and IWK healthcare sites. Planning for a power rate cap will begin to ensure that the heating and lighting of our homes remain within reach. These efforts build on work already underway to improve the affordability of heating our homes, the food we eat and the transportation we use.

Healthcare

In 2025-26, Nova Scotia will continue to advance the transformation of our healthcare system by implementing Action for Health initiatives. This comprehensive, first-phase plan is well underway and making transformative changes that will make our province a magnet for healthcare providers, provide the care Nova Scotians need, cultivate excellence on the frontlines, build accountability, responsiveness and resilience and address the core factors affecting our well-being. Dozens of Action for Health initiatives are already in place and paying off. We will see this work through, knowing that significant changes to complex systems require sustained effort over time.

Developing and Supporting Healthcare Providers

Supporting those who work on the front lines of the healthcare system is at the forefront in 2025-26. Recruiting and training healthcare professionals is one of the most pressing issues facing healthcare everywhere. Since 2021, tens of thousands more Nova Scotians have a primary care provider. A new Medical School in Cape Breton will open in 2025 and train more new family doctors yearly, while the new Physician Assessment Centre of Excellence (PACE) will assess internationally trained physicians for licensure in Nova Scotia while also providing high quality primary care. To entice doctors to stay, Nova Scotia will provide a retirement benefit for the first time ever. We will train more nurses by providing incremental funding to expand our nursing seats. We will also cover tuition and books for several future Licensed Practice Nurses who agree to work in continuing care after graduating from an accelerated program.

Increasing Access

The Government has improved access to primary care through innovations like collaborative care teams, community pharmacy primary care clinics, mobile primary care clinics and VirtualCareNS. Nova Scotia is also making historic investments in healthcare infrastructure that are improving access and outcomes. New mental health and addictions day hospitals and recovery support centres are open, and we have added new long-term care beds for seniors and made policy changes to keep couples together. New labs and equipment like CT scanners and MRI machines are speeding up testing. In 2025-26, the Government will improve access to vaccines by making the shingles vaccine free to all Nova Scotians aged 65 and older.

The Nova Scotia Government is committed to universal access to mental health and addictions care. The first phase of the final component of universal access starts in 2025 and will boost access to non-urgent mental healthcare by publicly funding private-sector professionals. The Province will continue to take an integrated approach that expands publicly funded services in the traditional healthcare system, leverages the capacity of more clinicians and funds community-based organizations that provide services. Support for community-based organizations helping those dealing with addiction and other mental health issues will continue, as will the identified eight Integrated Youth Services sites around the province. These sites unite health, social and employment support and services for young people under one roof. To serve Nova Scotians who face barriers to accessing mental health services, the Province opened the Dalhousie Centre for Psychological Health in 2024. In 2025 the Government will fund a program to create four new residency seats split between the Dalhousie Centre for Psychological Health and the Dalhousie Student Health & Wellness Centre. The Province will also provide \$350,000 in bursaries to students completing practicums at the clinic over the next three years.

Improving Experiences & Outcomes

Reducing administrative burden will enhance outcomes, improve the well-being of healthcare workers and patients, and create a more efficient system that delivers care faster. In 2024, Nova Scotia exceeded its target to reduce red tape for doctors, making our province a national leader. By reducing processes and paperwork, doctors will have more time to spend with patients.

Other initiatives in Action for Health have made emergency departments and ambulance services more efficient and resulted in shorter surgical waitlists. We will continue to develop digital solutions that harness the power of artificial intelligence (AI) to transform the patient and clinician experience.

Nova Scotia will continue to implement the Health Equity Framework to address racism, inequities and discrimination in the healthcare system.

Planning for Canada's first Menopause Centre of Excellence also begins.

Modernizing Infrastructure

More, Faster: The Action for Health Build is modernizing the province's healthcare infrastructure. In 2025-26 the Halifax Infirmary Expansion Project moves forward as does the construction and renewal of hospital and medical facility projects in Amherst, Yarmouth, the South Shore, and IWK Health, which services our province and region. One Person, One Record, the largest healthcare transformation project in Nova Scotia's history, will begin to go online in 2025 with subsequent sites and zones following over the next few years. Nova Scotians can also look forward to better preventative care and chronic disease management thanks to investments in the repair and replacement of medical equipment, and new modular dialysis and diagnostic imaging equipment.

Opportunities for Nova Scotians

Only united will we unlock our province's potential. That is why the development of all Nova Scotians is at the centre of our plan. Everyone has a right to safety, well-being, inclusion and equity. Without these basic principles, people, communities and our economy suffer. At a time when these freedoms are under threat in other places, Nova Scotia will support and advance them. We will also improve how departments work together to better help Nova Scotians in a more coordinated way.

Fostering Inclusion, Equity and Well-being

Nova Scotia's Equity and Anti-Racism Strategy takes direct aim at systemic hate, inequity and racism in public sector policies and programs. The strategy builds on commitments made in the Dismantling Racism and Hate Act and supports all underrepresented and underserved communities in our province. As part of this work, the Province is supporting municipalities and communities as they develop and implement plans to combat racism and promote equity. We will continue investments in community organizations through the Community Network Grant program to support underrepresented and underserved communities.

More support, counselling, flexibility and time to access services are in place for victims of human trafficking, hate crimes, gender-based violence and homicide. The Government is working to reduce delays through a newly introduced court that will make the bail process faster. In 2025-26, more funding for legal aid means more Nova Scotians will get affordable legal help.

Improving Safety, Resilience and Response

Intimate partner violence is an epidemic. While there is progress, we must do more work to address intimate partner and gender-based violence. We cannot do this in isolation. Recently, Nova Scotians have felt the devastating effects of intimate partner violence on women and the reverberation on children and communities. We must do all we can to prevent senseless tragedies, give families tools to heal and create tangible, lasting change to prevent future losses and harm. Last year, the Government made important investments in gender-based violence prevention and supports. Nova Scotia will also release its first ever 2SLGBTQIA+ action plan to support the safety and well-being of all members of this community.

We are committed to taking stronger action and collaborating with communities, advocates, experts and other levels of governments to make meaningful change. Nova Scotia will continue to take action to respond to the recommendations from the National Inquiry into Missing and Murdered Indigenous Women and Girls and 2SLGBTQI+ People Calls for Justice, Turning the Tide Together: Final Report of the Mass Casualty Commission, the Desmond Fatality Inquiry and the Truth and Reconciliation Commission (TRC): Calls to Action – which marks 10 years in 2025. Our coordinated, whole-of-government approach to addressing recommendations from these reports focuses on systemic factors, such as enhancing community safety, well-being and mental health, addressing gender-based and intimate partner violence, and policing reform.

Due to climate change, Nova Scotia is experiencing more severe weather events. The Government created the new Department of Emergency Management to lead emergency planning and responses. It is responsible for the Nova Scotia Guard, a group of volunteers ready to share specialized and general skills during emergencies. In 2025-26 we will continue work to establish the department and ensure the Guard is ready as well as provide more support for disaster assistance.

Living Healthier and More Independent Lives

The new Department of Opportunities and Social Development will spearhead government efforts to help more Nova Scotians live healthier and more independent lives through a range of social services. The department will focus on areas including the Employment Support and Income Assistance program, homelessness, at risk youth, the Nova Scotia Child Benefit and self-reliance for those with disabilities. It will work closely with other departments focused on equity issues.

Early investments in families are fundamental to breaking the cycle of poverty that often repeats generation after generation. In 2025-26, we will continue to deliver services for children and youth in care, like the Path Program. Introduced last year, Path provides years of financial support and outreach to youth after they reach the age of majority. The Government will focus on prevention and early intervention programs that support communities and help keep children safe. Nova Scotia will also help individuals living with disabilities become more independent through better community-based programming and by making transformative changes to the disability support system under the Human Rights Review and Remedy for the Finding of Systemic Discrimination Against Nova Scotians with Disabilities Report. A new workforce strategy will strengthen the disability support workforce.