

Budget

2016–2017

Working together for a stronger Nova Scotia

Government
Business Plan





Message from Premier Stephen McNeil

I am pleased to share the 2016–2017 Nova Scotia Government Business Plan. This plan is built on our commitment to work together for a stronger Nova Scotia.

Disciplined planning and difficult decisions since 2013 are beginning to pay off. We are moving closer to fiscal sustainability and see encouraging signs in a number of areas: business confidence in Nova Scotia is the highest among all provinces; seafood exports grew 33 per cent in value in 2015 compared to the year before; our population has hit an all-time high; immigration through the Provincial Nominee Program doubled to 1,350 in 2015; tourism visits rose 6 per cent in 2015, the largest increase in 15 years.

We will move forward with confidence that our new approach to managing government is helping us return to fiscal health. We know there is more work to do, and we remain committed to operating within our fiscal plan.

We will continue to focus on our core responsibilities. We will invest more in youth and job training, health infrastructure, orthopedic surgeries, and seniors' home care services. We will grow our population and spur entrepreneurial development by increasing youth retention and immigration. We will also continue to invest in our people; we are confident in their abilities to learn, innovate, and help grow our economy. People with disabilities, women at risk, and other vulnerable Nova Scotians will receive care and support when they need it as we create, extend, and enhance important programs and services.

Government will invest in four priority areas in 2016–2017:

- Opportunities for growth
- Investing in youth, education, and job training
- Supporting Nova Scotians who need it most
- Healthy people, healthy economy

Hard work over the past two years has positioned us to make vital investments that will provide a better future for all of us. Together, we will continue to work together to make Nova Scotia stronger.

Sincerely,

A handwritten signature in black ink that reads "Stephen McNeil".

Stephen McNeil

Premier of Nova Scotia

Working together for a stronger Nova Scotia

Responsible fiscal management has been an important first step to ensure stable, sustainable public services for Nova Scotians. Effective, accountable, and compassionate government is central to our 2016–2017 Government Business Plan, which outlines our major priorities and highlights actions that will help to grow our economy and provide opportunities for success and well-being to all citizens.

Government's plan to achieve fiscal sustainability began in 2013 with a commitment to focus on core programs and services. Through disciplined planning over the past two years, we are making progress to return to fiscal health. Nova Scotia is in an enviable position in Canada, as one of just a few jurisdictions (along with Quebec and British Columbia) expected to present balanced budgets this year.

Hard work and our new approach to managing government are beginning to pay off, to the benefit of Nova Scotians. While many challenges remain, positive indicators are evident and optimism is building. Our fiscal position has remained relatively steady, despite challenging global and Canadian economic conditions.

Grounded by our ongoing priority to deliver **Responsible Fiscal Management**, we are committed to operating within our four-year fiscal plan. We will invest in four priority areas in 2016–2017: **Opportunities for Growth; Investing in Youth, Education, and Job Training; Supporting Nova Scotians Who Need It Most; Healthy People, Healthy Economy**. As part of our commitment to protecting the resources of Nova Scotians, and the investments made on their behalf, we will endeavor to maintain ongoing fiscal balance through responsible fiscal management.

We will continue to focus on our core government responsibilities: education and career training, health care and public health, protection of vulnerable citizens, environmental and natural resource management, and maintaining public infrastructure. We have ended or modified programs—such as politically controlled economic development—that were unaffordable or have not delivered results for Nova Scotians. We created a Department of Business with a mandate to improve the business climate and to encourage businesses to innovate, compete, and pursue export opportunities. We have reduced red tape and consolidated services to deliver more efficient, effective government.

The One Nova Scotia goals in the Ivany Report call on all Nova Scotians—government and citizens—to work together to build a stronger province. The report urged all of us to take action on economic growth opportunities and to work collectively to grow our population over a 10-year period. Government is working to deliver sustainable services, provide value for taxpayers' investments, and achieve improved outcomes. Encouraging progress is evident in a number of areas:

- Nova Scotia business confidence is the highest among all provinces. (Ranked first five times in the monthly Business Barometer Index, Canadian Federation of Independent Business, between October 2015 and March 2016.)

- Immigration through the Provincial Nominee Program doubled to 1,350 in 2015.
- Population is at an all-time high of 945,824 people as of January 1, 2016. (Statistics Canada)
- Seafood exports grew 33 per cent in value in 2015, compared to the previous year. (Innovation, Science and Economic Development Canada)
- The number of full-time workers in Nova Scotia rose by 4,500 in 2015, over the previous year's annual average. Our unemployment rate fell to 8.6 per cent, the lowest annual average since 2008. (Statistics Canada)
- Targeted growth in tourism resulted in a 6 per cent increase in overnight tourist visits in 2015, compared to 2014; this is the largest one-year increase since 2000. (Tourism Nova Scotia)

We are committed to Nova Scotians and have faith in their abilities to learn, innovate, and succeed in our province. We know that smart, strategic decisions that maximize our natural advantages and economic assets will increase our positive economic trends and opportunities. The Government Business Plan focuses on key government priorities and significant actions across government within these priority areas. In addition, department and Crown business plans outline specific outcomes, corresponding actions, and metrics that fall within their mandates and service responsibilities.

The Government Business Plan, 2016–2017, includes actions to build a stronger economy in Nova Scotia. Highlights include

- More “first” jobs and co-op training programs for youth provided by public, private, and non-profit sectors
- Redesign employment and career development services for experienced workers
- Additional funding to address wait times
- Launch a multi-year redevelopment of the QEII Health Sciences Centre, enhancing care for patients across the province and the region
- Help for women at risk, people with disabilities, and vulnerable citizens
- Initiatives to encourage business innovation, research, and investment
- More funding to provide home care services for seniors
- High-speed Internet in more rural communities

The actions will provide opportunities and economic benefits for all Nova Scotians, enhancing the well-being of our citizens and creating a stronger society, for today and for the future. A stronger society will result in a stronger Nova Scotia.

2016–2017 Priorities

Government's priorities are focused on creating opportunities for Nova Scotians and helping business access skilled and knowledgeable workers. We will invest in sectors with strong growth opportunities and those with regional impacts. We will meet the needs of vulnerable Nova Scotians. We remain committed to responsible fiscal management and will continue to build on the steps we have taken to improve fiscal health. We will conduct ongoing service reviews to ensure effective, efficient services; programs will be tracked to ensure objectives are accomplished and value is provided to taxpayers.

Opportunities for Growth

Goals: Our province will have a business and social climate that fosters economic and inclusive growth and maximizes our best sector opportunities to the benefit of Nova Scotians. Transportation and community infrastructure will provide a foundation from which key sectors in our economy will collaborate and innovate to drive economic, export, and employment growth.

Actions: Government will make strategic investments to encourage innovation and boost export growth; invest in transportation and municipal infrastructure; support our creative industries; reduce red tape for businesses.

Our actions include

- Expand high-speed Internet to serve more homes and businesses in rural communities
- Invest in our film industry through the Nova Scotia Film and TV Production Incentive Fund
- Invest in the creative economy to support the unique creative talents of Nova Scotians
- Encourage innovation and collaboration across sectors through investment in the start-up community at VOLTA Labs; ocean industry development at Centre for Ocean Ventures and Entrepreneurship at the former Dartmouth coast guard base; social enterprise, agri-foods, seafood, and forestry innovation
- Increase export opportunities and provide regulatory stability through the Aquaculture Growth Strategy
- Invest in a public-private venture capital fund to be led and administered by the private sector
- Grow our population through two new provincial immigration streams: the Entrepreneur Stream and the International Graduate Entrepreneur Stream
- Invest in Nova Scotia's wineries and vineyards to encourage product expansion, research, and market development
- Invest in municipalities through transportation and sewer/water infrastructure projects, plus major events funding

- Invest in the Nova Scotia-to-Portland ferry service, providing a vital transportation, economic and tourism development link
- Invest in infrastructure and transportation systems, including paving, bridges, and equipment
- Continue red-tape reduction and regional co-operation through the Office of Regulatory Affairs and Service Effectiveness

Investing in Youth, Education, and Job Training

Education

Goals: Our dynamic, educated, high-performance workforce will give all Nova Scotians opportunities to succeed and benefit from our province's natural and competitive economic advantages. Nova Scotians will have access to high-quality education at every point in their educational journeys, from early childhood through to career. They will be motivated and successful, with access to innovative, collaborative work experiences within our diverse and growing society.

Actions: Government will work to increase youth retention, interprovincial migration, and immigration to help grow our population, spur entrepreneurial development, and create stronger connections to the workforce among Nova Scotia workers. We will invest in youth and education to create opportunities for the future. We will invest in job and career training to create opportunities today.

Our actions include

- Provide wage support for early childhood educators, enhancing care to help our youngest Nova Scotians receive a strong start in life; increase childcare subsidies for families and support inclusive programming
- Continue to reduce class sizes in our schools by extending class size caps up to grade 6: 3Rs Education Action Plan
- Provide students and teachers with stronger curriculum for math and language arts
- Expand the Schools Plus program to add four additional new sites, providing service in all school boards to give students requiring support access to a wide range of services, including mental health programming
- Continue coding instruction in grades P–3 as part of the streamlined curriculum, and expand to grades 4–6

Youth; Skills and Training for Workers

Goals: Nova Scotians will have high levels of workforce participation and career success, with increased youth retention and reduced under-employment. Workers will be trained and educated in fields that provide opportunities within, and match the needs of, Nova Scotia's labour market.

Actions: Government will invest in programs to provide first jobs, co-op and work experience for students, enhanced apprenticeship programs, and front-line job and career training services. We will invest in graduate students who are undertaking innovative, high-value research related to our economy.

Our actions include

- Increase investment in the Graduate to Opportunity Program, which encourages job creation by businesses and assists recent graduates in landing their first jobs
- Partner with employers to help provide up to 600 co-op positions for students across the province
- Continued investment in the Graduate Scholarships for Research and Innovation
- Redesign employment and career development services, increasing front-line assistance to help Nova Scotians connect to our labour market
- Provide up to 75 jobs across government for youth and new graduates, adding to the 70 positions set aside by the government in 2015-2016; demonstrating leadership in creating opportunities for young Nova Scotians
- Provide stable funding for universities and Nova Scotia Community College; bursary programs for students and loan forgiveness for new graduates to enhance youth retention
- Invest in internships in the Mathematic of Information Technology and Complex Systems program (MITACS), targeting the high-potential growth sector of Information and Communications Technology in Nova Scotia
- Implement an expanded, modernized apprenticeship system
- Invest in the Targeted Initiative for Older Workers, which prepares experienced workers for new employment opportunities

Supporting Nova Scotians Who Need It Most

Goals: Nova Scotians will receive care and support when they need it most. People with disabilities, women at risk, and vulnerable Nova Scotians will access services and support that will help to build a stronger society that provides just and equitable treatment for its citizens. A stronger society in Nova Scotia will support and help to build a stronger economy.

Actions: Government will deliver quality support and services to Nova Scotians, including women at risk, people with disabilities, and vulnerable families and young children. We will welcome, support, and retain new Nova Scotians through immigration programming that will help us to achieve demographic growth.

Our actions include

- Invest more in services for Nova Scotians with disabilities through Disability Support programs
- Support women at risk by implementing the next phase of the Sexual Violence Strategy, following on the initial 2014–2015 investment
- Extend the Domestic Violence Court Pilot program in Cape Breton
- Increase the parent subsidy to enhance childcare access for vulnerable families; increase grants to childcare centres to provide inclusive programming
- Increase the personal use allowance for Nova Scotians accessing Employment Support and Income Assistance programs
- Invest more in Maintenance of Children program costs
- Increase funding for the Early Intensive Behavioural Intervention program for children with autism, providing timely access and support for children and their families
- Implement “Between the Bridges” in Dartmouth, providing social network supports for community members, with potential expansion in other Nova Scotia communities in future years
- Continue to advance the Nova Scotia Home for Colored Children Restorative Inquiry, providing a restorative process, future solutions and healing for former residents
- Extend tax relief for families with young children by retaining the provincial portion of the “Amount for Young Children” tax credit under the discontinued federal Universal Child Care Benefit
- Create a food bank tax credit for farmers who donate produce to local food banks
- Enhance access and support services for new immigrants through the Office of Immigration

Healthy People, Healthy Economy

Goals: Citizens of Nova Scotia will benefit from better health outcomes and improved well-being, achieving inclusive growth and creating a stronger Nova Scotia society. Services and care will support longer, healthier living for Nova Scotians while also encouraging age-friendly communities. A healthier society will help to create a healthier economy for all Nova Scotians.

Actions: Government will provide services and care to create a healthier population of Nova Scotians and enhance their quality of life. We will invest more in health infrastructure, additional orthopedic surgeries, and seniors' home care services.

Our actions include

- Increase funding for home care services for seniors, including home support, nursing care, and the caregiver benefit program
- Increase access to address wait times, including more investment in orthopedic services
- Launch a multi-year redevelopment of the QEII Health Sciences Centre, enhancing care for patients across the province and the region
- Deliver stronger, consolidated health care through the new Nova Scotia Health Authority
- Implement the Personal Health Record program to enhance patient safety and assist health care providers in maximizing care and treatment
- Expand sexual assault nurse examiner services in eastern and western Nova Scotia, to ensure care is available across the province for people who have been sexually assaulted

Responsible Fiscal Management

Goals: To budget a balanced fiscal plan and achieve ongoing fiscal sustainability,

Actions: Government will operate within the fiscal plan, with discipline and accountability, to provide sustainable services for Nova Scotians. We will conduct ongoing service reviews and produce department and Crown business plans and ministerial mandate letters that align with government priorities, deliver efficient services focused on core government responsibilities, reduce duplication and achieve outcomes and program objectives.

Our actions include

- Deliver a balanced budget
- Manage Nova Scotia's fiscal resources through business planning and outcome-based service delivery
- Negotiate with public sector workers to achieve collective agreements Nova Scotians can afford, while operating within the fiscal plan
- Consolidate inspection services within Department of the Environment to streamline service delivery
- Redesign the Department of Health and Wellness to enhance access to care and achieve administrative savings under the Nova Scotia Health Authority
- Shift non-clinical information technology services from health authorities to the Internal Services Department
- Consolidate departmental financial advisory services within Finance and Treasury Board to coordinate financial planning across government
- Reduce red tape for business while being transparent about investment decisions and taking the politics out of economic development

Committed to the Fiscal Plan

Government is committed to operating within the four-year fiscal plan to ensure sustainable services for Nova Scotians. Risks to the plan include rising operating costs beyond what is included in the fiscal plan; high dependence on federal transfers; swings in exchange rates and economic conditions that are beyond our control; increases in debt levels that could threaten our credit rating, raise our debt-servicing costs, reduce our capacity to borrow, and threaten our fiscal solvency.

In order to reduce our risks and limit Nova Scotia's vulnerability to global economic swings, we are committed to growing our economy and our population to ensure access to quality, affordable public services. We will invest in the education and job training of our citizens to enhance economic productivity, invest in sectors that hold our best growth opportunities, and create a climate to encourage business investment and job growth.

Conclusion

Our business plan for 2016–2017 is action-driven and focused on improving short-term and long-term outcomes. Through discipline in government spending and by sticking with our fiscal plan, we are now on the path to fiscal sustainability. Business planning across government has aligned actions with key government priorities and provided accountability for results. We will continue to provide sustainable programs to Nova Scotians at levels they can afford. Responsible fiscal management will continue to reduce the vulnerability of our government to economic events outside our control. Thanks to the hard work undertaken over the past two years, we are now better positioned to make investments that will provide a better future for all Nova Scotians.

