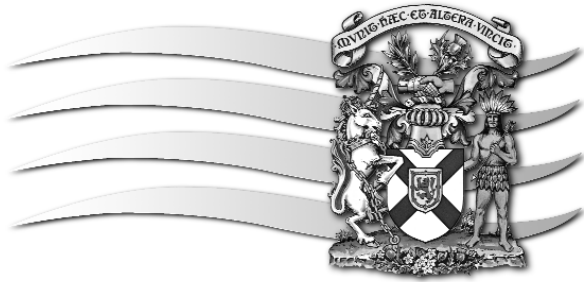


# Budget Highlights



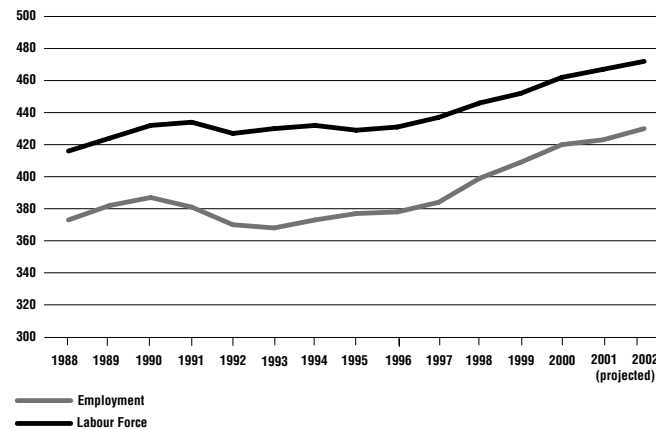
**March 29, 2001**

## The economy

The Nova Scotia economy performed well in 2000. Fueled by the private sector, improvements were recorded in most economic indicators. Growth in 2001 is expected to moderate as a result of a continent-wide slowdown.

- Economy grew by 3.0 per cent in 2000, creating 11,000 new jobs. Consumer spending increased by 4.7 per cent.
- Growth expected to moderate in 2001–02, as external economic forces impact Nova Scotia.
- Province forecasting 2.3 per cent growth in the year ahead.

## Nova Scotia Labour Market



## The finances

The government's fiscal plan is on track. Higher revenues brought on by economic growth have allowed for strategic investments in priority areas that advance long-term objectives.

- Four-year fiscal plan on target to eliminate the deficit in 2002–03; reduce income taxes the following year.
- Deficit for 2000–01 reduced from \$268-million estimate; now forecast at \$199 million. Deficit estimate for 2001–02 is \$91 million.
- Economic growth driving government revenue gains. Spending increases held below rate of revenue growth.
- Revenues expected to grow 7 per cent, estimate-to-estimate; spending held to 4 per cent increase. Forecast-to-estimate, revenue increase 2 per cent; spending 0.5 per cent.

## Toward self-reliance

Investments in training, research and development, and the province's economic infrastructure will yield long-term benefits.

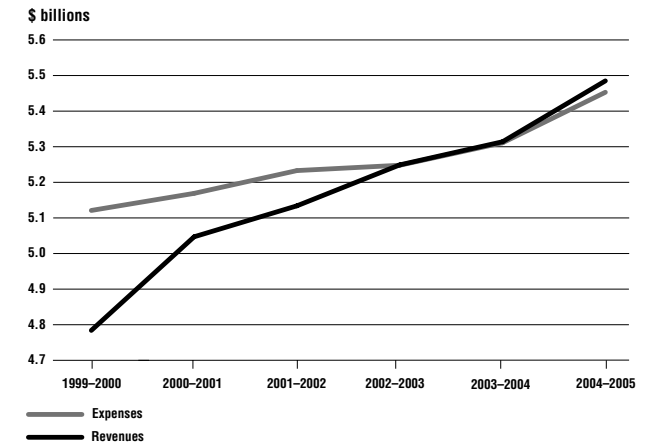
- \$15 million provincial investment in research, development, and commercialization will attract federal and private sector contributions through the Canadian Foundation for Innovation.
- Skills agenda advanced by \$4.2 million in additional funding for Nova Scotia Community College; Virtual Campus to expand.
- Access to community college to increase by up to 200 seats.
- \$1.5 million for Nova Scotia School for Adult Learning to help many get high school diploma.
- Province to develop long-term strategy to match training to available jobs.
- Youth Pathways and Transitions to help point more high school students to careers and further career-minded education.
- Additional \$1 million to increase tourism effort.
- Agricultural Development Institute launched with \$2.2-million investment.
- \$250,000 to combat illegal activity in the commercial fishery.
- Increased commitment of \$1.3 million for silviculture on Crown lands.
- Highways capital budget increased by \$11 million to \$49 million; \$5 million set aside for 101 twinning.
- \$10 million from Transportation budget to improve rural roads.
- Tax credit review completed: many credits modified, most continued.

## Quality of service/quality of life

The province is investing in technology to improve access to government services. New strategies to safeguard water supplies and for safe disposal of sewage to be developed; energy strategy and strategy to address greenhouse gases/climate change are in development.

- Significant service improvements through greater use of technology, including electronic land registry, expanded business registry, and 19 Service Nova Scotia Express locations. Motor vehicle registry and birth, death, and marriage certificates all go on line.
- Registry of Motor Vehicles to be in five more counties—then available in all counties.
- \$195-million, six-year federal/provincial/municipal program to build “green” infrastructure—water, sewage treatment, waste management systems.

## Revenues and Expenses 1999–2000 to 2004–05



## A commitment to health

The province is making significant investments in the well-being of Nova Scotians, as well as measures to manage health costs and put continuing care on a firm foundation.

- Tobacco taxes expected to increase in the year ahead in an effort to reduce the number of young smokers.
- \$600,000 increase in funds to promote physical fitness and active lifestyles targets young Nova Scotians.
- Community Health Boards funded for the first time: \$1 million.
- Simplified access to continuing care through \$1.5 million allocation.
- Home care budget increased \$10.5 million; long-term care facilities stabilized with \$19 million budget increase.
- Pharmacare premiums, co-pay will not increase this year.
- Patients medically discharged, awaiting long-term care, to be charged \$50/day while in hospitals.
- \$5-million nursing strategy to address workplace and recruitment issues.
- District health authorities provided with realistic, stable funding in first full year; 1 per cent more than actual spending in 2000–01.
- \$500,000 to redesign mental health services, plan to bring care for young Nova Scotians closer to their homes.
- Information systems in health care to support evidence-based decisions and improve accountability; \$9 million invested.

## Investing in our children

Nova Scotians want every Nova Scotia child to get the best possible start in life. They expect our schools to prepare our young people for success. The province will provide more assistance to low income families in the form of child benefits. Increased public education funding will promote early reading and safe schools.

- Nova Scotia Child Benefit increased. Clawback of National Child Benefit to end. Province investing in assistance for children living in poverty.
- Federal-provincial early childhood development partnership to invest \$9 million in mothers, babies, and child care.
- Active Young Readers expanded: now covers grades primary–6; includes testing.
- \$13 million more for public education.
- \$1.1 million to keep schools safe.
- Information management systems to support school boards: \$4 million invested.
- \$3 million more for special education.
- Commitment to universities met, funding up \$5 million.

## Opportunities on our doorstep

- 40 new offshore wells to be drilled in the next four years.
- Exploration moving to deep water.
- Panuke and Sable II are both billion-dollar projects.

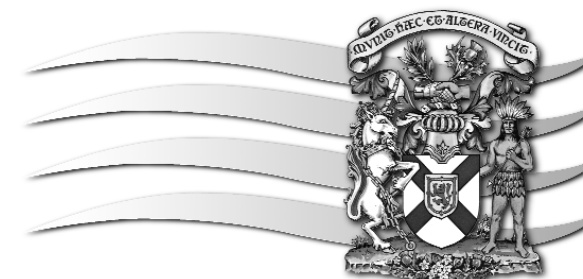
### Fiscal Plan 2001–02 to 2004–05

(\$ millions)

	ESTIMATE 2000-2001	FORECAST 2000-2001	ESTIMATE 2001-2002	ESTIMATE 2002-2003	ESTIMATE 2003-2004	ESTIMATE 2004-2005
<b>Revenue</b>	<b>4,794.9</b>	<b>5,044.5</b>	<b>5,134.8</b>	<b>5,248.8</b>	<b>5,314.7</b>	<b>5,485.2</b>
Net Program Expenses	4,058.0	4,160.9	4,271.0	4,298.3	4,313.1	4,380.1
Restructuring Costs	88.0	74.6	53.7	53.7	73.1	117.2
<b>Net Program Expenses</b>	<b>4,146.0</b>	<b>4,235.5</b>	<b>4,324.6</b>	<b>4,352.1</b>	<b>4,386.1</b>	<b>4,497.4</b>
Debt Servicing Costs	1,049.5	1,097.3	1,043.4	1,035.9	1,063.7	1,098.0
Less: Sinking Fund Earnings	(150.4)	(126.6)	(134.5)	(139.8)	(138.4)	(141.6)
<b>Net Debt Servicing Costs</b>	<b>899.1</b>	<b>970.7</b>	<b>908.9</b>	<b>896.1</b>	<b>925.2</b>	<b>956.4</b>
<b>Net Expenses</b>	<b>5,045.2</b>	<b>5,206.2</b>	<b>5,233.5</b>	<b>5,248.2</b>	<b>5,311.3</b>	<b>5,453.8</b>
<b>Net Income (Losses)</b>	<b>(17.9)</b>	<b>(37.2)</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>
Government						
Business						
Enterprises						
<b>Provincial Surplus (Deficit)</b>	<b>(268.1)</b>	<b>(198.9)</b>	<b>(90.7)</b>	<b>8.6</b>	<b>11.4</b>	<b>39.4</b>

# Budget Highlights

## Province of Nova Scotia



for the fiscal year 2001-02

The Honourable Neil J. LeBlanc, Minister of Finance



Department of Finance

For other 2001–02 budget information,  
visit the Department of Finance website at  
[www.gov.ns.ca/finance](http://www.gov.ns.ca/finance)