

NOVA SCOTIA BUDGET BULLETIN

FOR THE FISCAL YEAR 2006-07



Prosperous Communities

People are earning more, in fact about 4.4 per cent more than last year. There were 443,000 Nova Scotians employed in 2005—the highest number in our history. Families spent more, with retail sales increasing by 3 per cent last year. Economic growth is expected to continue, with personal income expected to expand by 3.3 per cent in 2006 and 3.2 per cent in 2007. Nova Scotia's gross domestic product (GDP) is projected to grow by 2.2 per cent in 2006, and retail sales are expected to increase by 3.7 per cent in 2006. The province is also taking a number of steps to spur economic activity.

Export Expansion

The province will invest just over \$250,000 to expand economic opportunities to business. The Export Expansion Program will help small and medium businesses increase their export activities.

Atlantic Gateway

The province intends to become North America's preferred eastern gateway, which will improve trade, tourism, and the economy. To that end, the province is investing \$250,000 in the Atlantic Gateway Strategy, which coordinates efforts of partners responsible for roads, rail, air, and ports.

Community Development

The province will invest \$250,000 to expand and support its Community Development Policy initiative. The initiative will support community prosperity and growth through greater co-operation, capacity building, and accountability. The province is also investing \$100,000 to further improve C@P (Community Access Program) sites around the province.

Business Growth

A business retention and expansion program will be established in several locations in the province. The \$127,000 investment for this initiative is designed to keep and grow businesses in the province. As well, \$400,000 will be invested to enhance activities in the second year of the Competitiveness and Compliance initiative, which is designed to improve the way laws are designed, communicated, and enforced in Nova Scotia.

Better for Business

Effective January 1, 2007, the province will eliminate the Liquor Licence Levy. Food services, hotels, beverage rooms, and bars will all benefit from this change, as will the tourism industry, by putting Nova Scotia on an equal footing with neighbouring provinces.

Offshore Opportunities

A \$6.4-million investment was provided for critical research and development. These funds will help exploration companies understand Nova Scotia's geology and environmental issues.



The Honourable Michael G. Baker Q.C.
Minister of Finance