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| ***Province*** | ***Législature*** | ***Session*** | ***Type de discours*** | ***Date du discours*** | ***Locuteur*** | ***Fonction du locuteur*** | ***Parti politique*** |
| Nouvelle-Écosse | 58e | 2e | Discours du Budget | 29 Mars 2001 | Neil J. LeBlanc | Minister of Finance | Progressive Conservative Party of Nova Scotia | |

**A growing economy**

Mr. Speaker, it is a privilege and honour to rise in my place and present the budget for 2001-02, the last year in which this minister - or any finance minister in this government-will project a budget deficit. The government's four-year fiscal plan is on course, on time, and on budget. This is the second budget our government has prepared and delivered; and each one has had as its foundation our commitment to fiscal responsibility, the provision of sustainable service, and an eye toward building a better future for our children. Next year every line in the budget will be written in black ink. The year after, Nova Scotians' income taxes will be 10 per cent lower.

This government will achieve those necessary financial milestones while fulfilling another unshakable commitment to Nova Scotians. We will secure for tomorrow, and enhance for today, the public services Nova Scotians hold most dear. This budget includes prudent investments in health care and in our future, the children of Nova Scotia.

This government came to office with a plan for Nova Scotia, based on the certainty that this province can and will have a better future. Our plan, advanced in each of our budgets, rested on the solid foundation of fiscal responsibility. But the goal is much broader. The goal is a self-reliant Nova Scotia, where every child has the opportunity to make the most of his or her life, and where Nova Scotians are assured of the highest quality public services. This budget pursues that goal.

Mr. Speaker, over the past year, Nova Scotians powered an economy that created thousands of new, lasting, and full-time jobs.

Nova Scotians are striding confidently into a new millennium, embracing the opportunities presented by a new world economy, new-found energy resources, and new trade prospects.

In this city and, with increasing confidence, right across this province Nova Scotians are taking hold of their own destiny and building, block by block, an economy that is resilient, sustainable, and inclusive.

The cold facts serve to prove the point. Last year the provincial economy grew by 3 per cent. Nearly 11,000 Nova Scotians who were looking, found jobs. And consumer spending increased by 4.7 per cent.

Nova Scotians are making that happen, Mr. Speaker, and this government clearly understands its role. Government should be, and frequently is, a broker, a facilitator, a negotiator, a navigator, even a partner. But, as history teaches, government is a direct player at the taxpayers' peril. It must be noted, with resignation and no joy, that this year this government closed the Sydney Steel Corporation. We also set in motion a process that we hope will lead to the sale of Nova Scotia Resources Limited.

It is cliché and true: economic success is attained and sustained where governments successfully create a climate in which private enterprises, large and small, flourish. The conditions that contribute effectively to that climate include fiscal, and therefore tax, stability; able and dependable workers; and the means to move products to market.

With this budget, this government will vigorously pursue the first condition. In the near future, Nova Scotia will achieve fiscal stability, along with a tax climate that is both stable and more rewarding for working Nova Scotians and their families.

Nova Scotia has never suffered a shortage of dependable workers. New opportunities, however, bring new challenges. We must plan to meet those challenges. And we must always invest, where and when we can, in the future of our children.

Moving products to markets traditionally meant ships and trucks, planes and trains. Today, just as often, it means fibre-optic cable. Nova Scotia is connected, and competitive worldwide, in telecommunications infrastructure. Some of our more traditional infrastructure, however, is falling apart. Last year, this government reversed a destructive trend to ever-shrinking highways budgets. This year we will increase highways spending again.

The government respects every taxpayer and spends every tax dollar with care. Each and every investment is made with an eye to the future, and an eye on the bottom line.

**Responsible management**

L’année passée, en ces mêmes lieux, je vous ai présente un budget qui visait a mettre la Nouvelle-Écosse sur la voie de la sécurité financière et d'une réduction des impôts. A ce moment-la, j'avais informé la population que I' exercice 2000-2001 se terminerait par un déficit budgétaire de 268 M$. Je peux maintenant vous confirmer que nos efforts ont modifie de façon importante l'objectif que nous nous étions fixé, et qu'il rn'est possible d'annoncer aujourd'hui un déficit de 199 M$ pour l'année qui se termine - ce qui est une amélioration considérable de notre objectif

Translation: A year ago, I stood here in my place and delivered a budget that set Nova Scotia on a four-year path to financial security and lower taxes. At that time, I told Nova Scotians we would end fiscal 2000-01 with a deficit of $268 million. I can now report that we have improved significantly on that target and now forecast a year-end deficit of $199 million.

For the fiscal year about to begin, 2001-02, we are estimating a deficit of $91 million. As I said, the year after the red ink will disappear entirely.

Sound management will result in most departments achieving their fiscal target for the year that is about to end. In the year ahead, that same vigilance - from every quarter and corner of Nova Scotia's public sector - will be essential for success.

Great strides have been made in improving our ability to manage our spending, not just in government proper but right across the public sector. More than half the provincial budget flows out to arm's-length agencies, boards, commissions, and the new district health authorities. We will take significant steps designed to make these organizations more accountable for the tax dollars they spend and the results they achieve. Increased accountability will enhance our ability, working with those organizations, to manage to a budget target.

Accountability is a hallmark of good government and responsible management of the taxpayers' money. It is important to note that the books of this province now reflect the most accurate and complete financial accounting found anywhere in this nation. Every expenditure for which the people have an obligation is in clear view. The assumptions upon which we base our revenue are reviewed by the Auditor General.

As we did last year, we are basing our 2001-02 revenue estimates on realistic economic assumptions, within the range of leading private-sector forecasters. But the year ahead is marked by uncertainty. Every day Nova Scotians are bombarded by pessimistic economic information, particularly from the United States.

It is often said that, if America sneezes, Canada catches a cold. That quip once accurately described the economic relationship of our two nations. Today, our national economy is more diverse, and Nova Scotia's economy is more resilient. But we are not isolated. Economic storms elsewhere will be felt here. Capital spending in the private sector is already slowing.

We can expect growth to moderate in Nova Scotia during this period. We are forecasting growth of 2.3 per cent for the year ahead.

Revenue gains have been significant over the past year, and while we expect revenue will continue to grow this year, it will be at a more modest pace. In a province of fewer than one million souls, burdened by a debt that exceeds $11 billion, responsible management demands that we take our gains in stride and invest with diligence.

And diligence demands that we hold spending increases below the rate of revenue growth. We have accomplished that in this budget. Our total estimated spending for 2001-02 has increased by just 0.5 per cent over forecast spending for 2000-01. Revenues, based on the same comparison, are growing by 2 per cent. Estimate-to-estimate revenue is expected to grow by 7 per cent. The same comparison on the expenditure side shows that we will hold spending increases to less than 4 per cent. Let me repeat that. Spending will increase by less than 4 per cent, while revenue will increase by 7 per cent. That, Mr. Speaker, is responsible management of the province's finances.

In the volatile international markets of today, perhaps the most difficult forecast we make is debt-servicing costs. Currency and interest rate changes and the peaks and valleys of the equity markets all influence our debt costs. We continue to take steps to reduce our foreign currency exposure. Thirty-one per cent of our debt is now held in foreign currency. We will reduce that exposure to 20 per cent by 2004.

For the year ahead, we are basing our forecast on a Canadian dollar in the range of 63 cents US, and Canadian interest rates for a 10-year bond at 5 1/4 per cent. Net debt-servicing costs are anticipated to be $909 million, a number that highlights our financial trouble. Again this year, we are obligated to send more money to bankers than we are able to invest in the public schools that educate our children.

Mr. Speaker, our economy is strong and our revenues reflect that strength. But that does not mean we should abandon sensible, responsible fiscal management. On the contrary, this is the time to recommit to that vital effort. A growing economy and growing revenues provide us with some financial flexibility. We are able to maintain public services at current levels, and selectively and carefully invest in a few priority needs. We will do that while meeting the deficit reduction and elimination targets set out in our fiscal plan.

We have reduced the size of government-the civil service payroll - by about 4 per cent, from 9,926 employees 18 months ago to an estimated 9,503 this year. Much of that reduction has been achieved through natural attrition and by not refilling vacant positions.

Across Nova Scotia, public-sector employers and the unions that represent public servants are in various stages of the collective bargaining process. Any increase in wages puts pressure on the public treasury. To date, reasonable, responsible agreements have been reached. The government hopes, and has a responsibility to ensure, that the trend continues.

Mr. Speaker, big budget numbers and macroeconomic statistics mean little to Nova Scotians looking for work and trying to feed their families. From region to region across this province, there are significant and persistent economic disparities. This government believes that all Nova Scotians, wherever they live, deserve every chance to earn a good living.

In Nova Scotia, opportunity has become synonymous with exploration, development, and production of offshore energy. Leadership has become synonymous with the premier and his determined efforts to seize for Nova Scotians future security and prosperity from that opportunity.

Our premier leads a campaign for fairness in the distribution of wealth from the offshore. Our premier leads the steadfast defence of Nova Scotia's interests in the Gulf of St. Lawrence.

Nova Scotia's goal is to be nothing less than a prosperous, self-reliant province, adding economic strength to a more vibrant Canadian federation. Our premier is leading us to that goal.

**Toward self-reliant**

New wealth from offshore energy ranks among Nova Scotia's greatest opportunities, but the story does not end there. Nova Scotians are leading the way into a new economy marked by innovation and creativity. In our universities and on our farms, in our leading-edge factories and literally on the cutting edge of our sawmills, Nova Scotians are discovering better ways and putting them to work for a better world.

With research from the Kentville food science centre, Case Van Dyke of Queens County is turning blueberries, the tastiest and healthiest little fruit on the planet, into the tastiest and healthiest pure fruit drink. Ocean Nutrition is fast becoming a world leader in research, development, and production of marine-based nutrition supplements. Innovative, high-tech sawmills, like MacTara Lumber, are maximizing the yield of sawlogs using computers and laser scanners.

In the workplaces of Nova Scotia, Nova Scotians are putting technology to work. And when we venture into our universities we find hundreds of research and development projects aimed at improving the quality of our lives and the condition of our planet.

At the Nova Scotia Agricultural College alone, research ranges from a study into the causes and cure of reproductive failure, to the impact of agriculture on our climate. The latter project, funded through the Canadian Foundation for Innovation, is developing new technology to improve air quality management in farming.

Mr. Speaker, the Province of Nova Scotia will support this kind of innovation and initiative.

Today, I am announcing an investment of $15 million that will fuel the innovative fire by supporting leading research, development, and commercialization opportunities in Nova Scotia. This provincial contribution, drawn from fiscal 2000-01, will trigger additional funding from Ottawa and from the private sector, through the Canadian Foundation for Innovation. Nova Scotia's initial investment has the potential to increase overall research and development funding in this province by almost 40 per cent.

Research and development will help lead the way, but in order to seize all the opportunities on our doorstep, more Nova Scotians must be equipped with the right tools. Much has been done. Much remains to be done.

Today, every school in the province is connected to the Internet. Thanks to the federal-provincial Information Economy Initiative, more than 6,200 computers have been placed in our schools, and 200 community access sites are spreading computer literacy to Nova Scotians where they live.

An additional $4.2 million is being provided to the Nova Scotia Community College. This year the Community College will expand the Virtual Campus. The Virtual Campus already takes programs and training to 800 Nova Scotians who, as a result, do not need to leave home or work to upgrade their skills. In addition, the college will create 200 new seats. Expanded access to community college programs means more Nova Scotians will be equipped with the skills to take their place, and succeed, in the job markets of today and tomorrow.

For a variety of reasons, too many Nova Scotians slipped through, or out of, the education system before they had the most basic tools. The Nova Scotia School for Adult Learning gives them a second chance. This year $1.5 million has been allocated to coordinate and enhance the network of programs that helps adults get their high school diploma.

Mr. Speaker, thanks to the initiative and foresight of enterprising Nova Scotians, we are world leaders in information technology training. As a province we must equal that success in other sectors, notably oil and gas. Today in Nova Scotia there are jobs unfilled because employers can't find workers with the required skills. Closing and eventually eliminating that skills gap will be a provincial priority and is a shared responsibility among government, industry, academic institutions, organized labour, and motivated, individual Nova Scotians.

This year government will lead in developing a skills strategy and commit additional funding in future years to implement an agenda that matches training to jobs.

The government is not standing still and waiting for the strategy. Currently in Nova Scotia 80 per cent of students who go on to post­secondary studies choose university, and only 20 per cent opt for community college. That compares to a national breakdown of 57 per cent to university and 43 per cent to college.

Nova Scotia has a proud university tradition and consistently leads the nation in university-educated citizens, as a percentage of population. That should not change. But young Nova Scotians need to be more aware of all career options and prospects. A new public school program will help make that happen.

This budget invests $200,000 in the new Youth Pathways and Transitions Program, to help students plan and prepare for careers and further career-minded education. The program will track students' progress in acquiring basic job skills, using the Conference Board of Canada's list of employable skills. The second phase will include high school courses linked to community college and to the job market. Youth Pathways and Transitions will be available in some schools this fall and will be expanded across Nova Scotia over the next few years.

There is no greater expression of self-reliance than the personal accomplishment of Nova Scotians moving from dependence on the state to self-dependence. In the last fiscal year, 4,070 Nova Scotians moved off the welfare rolls and into paying jobs. Another 4,380 paved the way to the work force by upgrading their education or enroling in skills training programs. This government's social assistance reform initiatives will make a positive difference in the lives of thousands of Nova Scotian families.

A new century, a new millennium, and a new economy require new ways to support economic activity. This year the province is creating a new economic engine called Nova Scotia Business Inc. This Crown corporation, at arm's length from government, is charged with a mandate to bring new investment to Nova Scotia, help existing business expand, and spread economic activity across the province. Between NSBI and the Department of Economic Development, there is an increase of $8.5 million, year-over-year, in funds available for strategic economic investment. In all cases, those investments will be tied to performance.

Mr. Speaker, tourism is a sector that offers promise in bridging the economic divide between rural Nova Scotia and the more affluent metropolitan area. The province is increasing its overall investment in tourism and culture by $1 million. Enhanced marketing and a longer season for visitor information centres are just two examples of the increased tourism-development efforts.

Mr. Speaker, every tax dollar government spends should be spent with purpose. This government is determined that taxpayers' dollars will be directed to specific initiatives, with defined benefits. Operating grants to a number of tourism-related, cultural and heritage groups will be reduced, and the funding redirected within those sectors. For example, grants to community museum boards will be reduced by 2 per cent, but $100,000 in new funding is available to those same organizations for more clearly defined, strategic investment.

Nova Scotia's rich music and culture have given our communities life for generations. More recently these immeasurable riches have become important to our economy. Again this year, we will provide $250,000 for export-focused cultural activities. As well, the province will invest an additional $400,000 in regional cultural activities and industries.

Farmers and farm families are the strength of much of rural Nova Scotia. This year the new Agricultural Development Institute will be in operation, with $2.2 million from provincial taxpayers. Specialists from the institute will provide farmers with expertise in pest, weed, and disease management, as well as offering services related to livestock, horticulture, and forage and field crops.

Law-abiding fishermen are frustrated when they see the resource diminished by illegal fishing. This year, to combat illegal activity in the commercial fishery, the province will double its commitment, its effort, and its funding to $250,000.

Mr. Speaker, sustainable forest practices must be the only forest practices. Partnerships among government, private woodlot owners, and harvesters will invest some $9 million in silviculture on private lands this year alone. In addition, we will increase our silviculture investment on Crown lands by $1.3 million, bringing the provincial investment in Crown land silviculture to $3.5 million.

All the vital economic sectors I just mentioned have one thing in common. They depend on the roads of Nova Scotia to move their product. In the past decade our network of highways and secondary roads has been neglected. The consequences are evident to every driver.

Last year, despite severe and necessary restraint, this government reversed a troubling trend to shortchange the highways budget. This year we will do more. We will increase the capital investment on highways and bridges by some $11 million to $49 million.

Again this year, included in the operating budget of the Department of Transportation and Public Works is $10 million for improvements and maintenance on rural roads.

The federal government has a responsibility for national transportation infrastructure, and in Nova Scotia that infrastructure includes many 100-series highways. The province has set aside an additional $5 million from its capital budget as a tangible expression of our commitment to twin Highway 101. We sincerely hope this commitment will help bring the federal government to the table and to its senses.

Nova Scotians paid $137 million last year in federal excise taxes on gas and diesel fuel. Surely that warrants more consideration than the $2.5 million Ottawa returned as its contribution to our highways system.

Mr. Speaker, 18 months ago the government initiated a review of all provincial tax credits and rebates. The tax system must always be fair. Tax breaks must serve their purpose. Last year, following phase one of the review, some credits were modified and others sunset. The second and final phase of the review is now complete and included in the budget material is a full report.

In summary,

• Effective January 1, 2002, the value of the HST rebate on new housing materials is reduced, to a maximum of $1,500.

• The small business tax credit is retained with minor refinements.

• The Equity Tax Credit, which encourages Nova Scotians to invest here at home, is extended to December 31,2003.

• The Labour-Sponsored Venture Capital Corporation Tax Credit is continued, with refinements, until 2003.

• The HST rebate for volunteer and municipal fire departments is continued.

• The HST rebate on printed books and the HST rebate for persons with disabilities are both continued, unchanged.

**Quality of service**

Mr. Speaker, the government is determined to improve service to Nova Scotians and save taxpayers every dollar we can. Technology will help make that happen. Improvements this year put access to motor vehicle registration, and birth, death, and marriage certificates on line.

Registry 2000 is a monumental undertaking to migrate 250 years of land transactions into an electronic land registry. Soon, searching and recording land transactions will be a mouse click away. The cost of this improvement will be offset by an increase in land registration fees, from $40 to $70.

The award-winning Nova Scotia Business Registry will be expanded and upgraded. Business can do business with government 24 hours a day, seven days a week. This year, an added feature will let registered businesses know automatically when any of more than 30 permits and licences are coming due for renewal.

E-government reduces costs to taxpayers and clients alike, while increasing the speed and efficiency of transactions. With this in mind, Service Nova Scotia Express will come on line this year with self-serve terminals in 19 locations across the province.

Some transactions still require face-to-face service. Access Nova Scotia storefront offices are now located within 45 minutes of most every Nova Scotian. This year full Registry of Motor Vehicle service has been, or will be, expanded into five more counties: Queens, Guysborough, Shelburne, Richmond, and Hants.

**Quality of life**

Few services of government are more important to Nova Scotians than those that protect our health and our natural environment. In the wake of the tragic events in Walkerton, Ontario, wise governments everywhere are redoubling efforts to ensure the safety of water supplies. In Nova Scotia, new safe water regulations mean increased vigilance. Nova Scotia is fortunate. We have an abundance of safe, clean water. We need to make sure it stays that way.

This budget invests $850,000 in the development of long-term strategies to safeguard our water supply and ensure the appropriate and safe disposal of sewage. As well, we are allocating funds to a new Canada-Nova Scotia Infrastructure program that will result in $195 million invested in "green" infrastructure across the province over the next six years. Split equally among Ottawa, the province, and participating municipalities, these funds will build new water treatment, sewage treatment, and waste management systems in communities throughout Nova Scotia. A full 40 per cent of that funding is earmarked for rural areas that have been neglected for too long.

Nova Scotians cherish their own natural heritage and fully accept that we share a global responsibility for the earth's environment.

This province has long been a producer of fossil fuels, and offshore development means that won't end soon. Our energy mix is changing. This budget allocates $200,000 to develop two distinct, but intimately connected initiatives: a long-overdue energy strategy for Nova Scotia and strategies to ensure that this province meets its obligations to reduce greenhouse gases and their undeniable impact on the earth's climate.

**A commitment to health**

Mr. Speaker, this government's commitment to the health of Nova Scotians, and to the health care system itself, is absolute. There are no tax increases in this budget, but there is a promise to raise the tax, this year, on one product-tobacco.

This year cigarettes will claim the lives of 1,600 Nova Scotians. Higher tobacco taxes won't save many old addicts, but higher prices will reduce the number of young smokers.

This government will continue to pursue an agreement with Ottawa and our neighbouring provinces to significantly increase taxes on tobacco products, while ensuring we do not become prey for cross-border tobacco smugglers. This may be a so-called revenue measure, but it is really a common-sense measure.

For years governments have talked about wellness and community-based health care. This year this government will act.

This budget increases funding to the Nova Scotia Sport and Recreation Commission by $600,000, with the assurance that every penny will find its way to communities. It will support physical fitness and active living. Increasing activity among young Nova Scotians will be the priority.

For the first time ever, funding is available to Community Health Boards, in the amount of $1 million. These funds will support community-defined priorities and local smoking cessation programs.

Mr. Speaker, there are many reasons why our health care system must evolve. But chief among them is the shift in our population age. Nova Scotians, like it or not, are greying. The decisions and actions of today must put health care on the solid foundation it will need for the future. This budget reflects those decisions and that action.

Across Nova Scotia, beginning this year, older Nova Scotians and others in need of continuing care will access that care through a simple, single entry point. This program, piloted last year in eastern Nova Scotia, reduces wait times for those most in need. This year $1.5 million in new funding will allow us to begin expanding this streamlined process province-wide.

As our population ages, the demand for home care services and pressure on our long-term care facilities will only increase. Those two cornerstones of continuing care must be solid-first and foremost for the care they provide, but also to allow more efficient use of acute care services.

This budget increases funding to home care by $10.5 million, to an estimated $110 million. Home Care Nova Scotia currently provides health services to 23,000 Nova Scotians, allowing them to remain where they want to be, in their own homes. Funding for long-term care facilities will increase by $19 million, to an estimated $175 million. This will stabilize the sector and maintain the current number of long-term care beds.

There are no magic solutions to health care funding pressures. Either governments manage those pressures and keep health care affordable, or those who require services will pay more, in some fashion, for those services.

In the year ahead, Pharmacare premiums and co-pay fees will not increase. But pressure on that program is increasing as the price of prescription medication climbs. Increases will be required in future years. The government will continue to work with its Pharmacare partners to ensure equity and access remain the guiding principles of Nova Scotia's Pharmacare plan.

As every Nova Scotian knows, patients in hospitals are not billed for their care. Residents in long-term care facilities, who are able to pay, do pay. Yet, in hospitals across this province, almost one in four beds are occupied by patients awaiting nursing home placement.

Therefore, we will expand a policy, tested in Cape Breton last year. Patients who have been medically discharged, but remain in hospital, will be charged $50 a day. This fee is lower than what they will pay once they enter a nursing home, and recognizes that they are now long-term care patients.

This fee will net an estimated $1 million on a $ 1.82-billion health budget. Obviously it is not being done for the revenue it will bring. It is being instituted for consistency and equity and to promote efficiency in both the acute care and long-term care sectors.

Mr. Speaker, before coming to office, members of my party said we would work with nurses to address workplace issues, and we would move health care decision making closer to the communities affected by those decisions.

This budget makes good on both promises.

We have allocated $5 million to begin implementing Nova Scotia's first nursing strategy. The strategy includes a four-point plan to: (1) support practising nurses; (2) support student nurses; (3) increase recruitment efforts; and (4) enhance professional development and mobility of nurses within Nova Scotia's health system. The strategy is in addition to, not instead of, other recent advances for nurses. Those include conversion of more than 100 casual positions to full time, increasing enrolment in our nursing schools by 30 per cent, and providing bursaries for student nurses.

Monsieur le Président, les conseils d'administration des services de sante, situés loin des communautés qu'ils desservaient, sont l'affaire du passe. Neuf autorités régionales de la sante publique, plus rapprochées des communautés, ont remplacé ces conseils. Les autorités possèdent un pouvoir discrétionnaire réel et sont imputables des décisions qu' elles prennent et des fonds qu' elles dispensent. Le budget inclut une augmentation au financement des autorités, ce qui représente un pour cent (1 %) en termes concrets, ou 8 M$. En plus, la province a réservé des fonds afin de couvrir les couts additionnels relies aux augmentations possibles résultant des accords sur les salaires. Le gouvernement reconnait que les autorités, ses partenaires dans les services de sante, auront à relever plusieurs défis et à prendre des décisions qui ne seront pas faciles. Elles commenceront leur première année complète d'opérations avec un financement stable et réaliste.

Translation: Mr. Speaker, remote regional health boards are a memory. Nine district health authorities, closer to the communities they serve, have taken their place. The DHAs have real decision-making power and are accountable for the decisions they make and the money they spend This budget increases funding to DHAs, in real terms, by 1 per cent or $8 million. In addition, the province will fund cost increases related to wage settlements. The government recognizes that its district partners in health care face many challenges, and the decisions they must make will be difficult. They will begin their first full year with realistic and stable funding. systems to improve, support management

It has often and truly been said that those suffering mental illness are the forgotten in our health care system. This is tragic always, but perhaps acutely so when the children suffer. Nova Scotia is not alone in this sorry history, but what consolation is that? We must begin the healing.

This budget maintains funding levels established last year for early identification and intervention services at $2 million. Children with special needs will have those needs met in time to make a real difference in their lives.

An additional $500,000 will help redesign delivery of mental health services. A child and youth mental health project is now in development and will offer a plan to deliver care closer to home for those in need.

Mr. Speaker, quality information is essential to proper management. As the Auditor General so clearly articulated in his most recent report, systems to supply that level of information are lacking in health care and in some school boards.

The government will invest $13 million to begin addressing those deficiencies. This funding is split between the fiscal year just ending and the new year.

More than $9 million will be invested in hospitals and other health facilities to support the evidence-based decision-making that is fast becoming a feature of health care management in Nova Scotia. Electronic health records, with standardized information across the province, will enhance the speed and efficiency of patient care.

A $4-million expenditure on information management systems in education will begin improving financial management and tracking academic performance and results.

**Investing in our children**

Mr. Speaker, from the government's point of view, I held the most important features of this budget until the end.

Those are initiatives that begin an important process of renewal in our public schools, and new measures that will have a significant, positive impact on the lives and on the future of Nova Scotian children now living in poverty.

Every young Nova Scotian deserves every possible opportunity to make the most of his or her talents. Every child deserves the best possible start in life.

The province is determined to knock down the barriers that keep too many families dependent on social assistance. In partnership with the federal government, we are taking tangible action to help low-income families and, more specifically, their children.

The changes we are making will leave no family with less assistance than they receive today. Increased benefits will flow to low-income, working Nova Scotians and their children. And all future increases in the fully indexed National Child Benefit will automatically flow to the rightful recipients, poor Nova Scotian families.

Beginning July 1 of this year, the Nova Scotia Child Benefit will be substantially increased and altered, so that, in combination with the National Child Benefit, low-income families will receive $1,700 a year for each child. All low-income families in Nova Scotia - working or on social assistance - qualify. This means additional financial support for 20,000 working families and 15,000 families on social assistance. In total, 60,000 Nova Scotian children will benefit.

Families whose net annual income is less than $16,000 will receive the maximum benefit. Families with a net annual income of between $16,000 and $20,921 will receive partial payments. The so-called dawback of the National Child Benefit from social assistance recipients ends on August 1, 2001.

This measure knocks a gaping hole in the welfare wall. Parents can move from social assistance to jobs without losing child benefits.

Mr. Speaker, a working family with three children and a net income of $15,999 will see an annual increase in child benefits of $1,650, or 48 per cent, on July 1.

To support these measures, this government is increasing its commitment to child benefits to $30 million in fiscal 2001-02.

In addition, Mr. Speaker, also in partnership with the federal government, $9 million will be committed this year to early childhood development initiatives. This commitment-part of a five-year agreement-will be increased to $12 million next year, and $15 million the year after, where it will remain for the life of the agreement.

New funding will support a comprehensive home visiting program whereby nurses will help expecting and new mothers and their children get off to the right start. Much of the remainder of the early childhood development funding is earmarked for child care: to improve wages of child-care workers and to expand access through start-up grants to non-profit centres.

Mr. Speaker, the new, combined child benefit and the early childhood development initiative reflect the values of Nova Scotians, who believe every child should get the best possible start in life. Renewal in our public schools will set young Nova Scotians on the path to success.

In the weeks and months ahead, the province, working with partners across the education spectrum, will be engaged in a determined effort to renew our public schools. Not with bricks and mortar, although that job needs doing as well. But with vitality and energy. With standards and accountability. Parents, students, and teachers want our schools to be the best they can be. From modest beginnings, we are launching an effort that, over time, will bring the assurance that our schools have become just that - the best.

Last year the government initiated the Active Young Readers program to help children in primary through grade 3 learn to read. This year, we will invest $900,000 more to expand this program to grades 4 through 6, where children read to learn. In grade 6, all students will be tested for literacy. Test results will be available to parents and to junior high school teachers so they can support students who need extra help.

This year the province will increase its investment in our children's future by $13 million. That 2 per cent increase in the public schools budget comes at a time of declining enrolments. In the past year alone, the student population declined by more than 2,000 children. That reflects a 30-year trend. During this same period the number of teachers has remained relatively constant.

Ensuring that children are safe at school is critical. This budget allocates $100,000 to support the students' code of conduct and another $1 million to help school boards meet new health and safety regulations, including those for water quality.

The province is increasing funds to support children with special educational needs. An additional $3 million has been budgeted for this vital effort.

The province is keeping its commitment to Nova Scotia's universities through increased operating funds of $5 million, for a total investment of $201 million. As announced last year, the province will no longer provide assistance for capital projects on university campuses after we fulfil a final obligation to St. Francis Xavier University.

**The light of day**

Mr. Speaker, very little remains to be said. Nova Scotians are building a more prosperous future. Opportunities are on our doorstep. Forty new wells will be drilled offshore over the next four years; exploration is moving into deep waters; Panuke and Sable II are both billion-dollar projects; we are new economy leaders and free traders in a free trade world.

Au plan financier, la province n'est pas sortie du bois ... pas encore; mais il nous est maintenant possible de voir un peu de lumière. Le budget que je vous ai présenté est fidèle à l'engagement que nous nous étions donné: celui d'une gestion financière responsable. Par conséquent, notre situation économique s'est renforcée et les revenus sont à la hausse. Nous maintenons l'augmentation des dépenses en-dessous du taux de croissance des revenus. Et c'est une mesure de prudence que nous tenons à respecter.

Translation: Financially, as a province we are not out of the woods, yet. But we can see the light of day. The budget I have just presented maintains our commitment to responsible financial management. Our strengthened economy is providing more revenue. We are holding the rate of growth in spending below the rate of revenue growth. That is prudent.

A portion of our increased provincial income will be invested, carefully, selectively in the priorities of Nova Scotians - the health of our people and the future of our children.

Thank you.