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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 | 4 Avril 2002 | Neil J. LeBlanc | Minister of Finance | Progressive Conservative Party of Nova Scotia |

**Finally... a Balanced Budget**

Mr. Speaker, for 40 years Nova Scotia has been living beyond its means.

For 40 years, successive governments have been running back and forth to the bank to pay for day-to-day operations.

Mr. Speaker, government started out by borrowing small amounts that grew and grew - and that continued to grow and grow, year in and year out-to the point where this year Nova Scotia taxpayers will hand over $865 million to distant bankers. That's almost $2.4 million a day... almost $100,000 per hour.

In fact, this year, like last year, we will spend more paying interest on the debt than we will educating every Nova Scotia student from primary to grade 12.

The ramifications of 40 years of borrowing are clear. The debt is not only robbing all Nova Scotians of opportunities today; if left unchecked, it will rob our children of the kind of hope, opportunity, choice, and prosperity we all want for them tomorrow.

I know, Mr. Speaker, Nova Scotians have grown tired of hearing about the deficit.

I'm sure they're even more tired of living with the uncertainty that comes with every budget.

The simple truth is, the more we borrow, the more uncertain things become.

Our creditors become more uncertain. Potential investors become more uncertain.

More importantly, the more uncertain we become as parents and grandparents about the services that will be there for us, the more uncertain we become about the services that will be there for our children and grandchildren.

Mr. Speaker, there is no magic, mystery, or uncertainty in this. Stubborn, successive, unrelenting deficits stymie growth, restrict investment, kill new jobs, and limit the new revenue needed to respond to the priorities of Nova Scotians.

And that is why today this government is embracing our collective responsibility to all Nova Scotians-particularly our children.

That is why today I am proud to rise and present Nova Scotia's first truly balanced budget in 40 years.

And let there be no mistake, this is an all-in budget, reflecting all of our current spending commitments - something previous governments in past budgets failed to do. Since coming to office, we have ensured that the books of the province follow the most transparent accounting practices in the country.

Mr. Speaker, the bottom line for 2002-03 is a truly balanced budget.

**Burden of Debt Remains**

It has taken 40 years to get to where we are today. During that time we have built up a huge debt. The burden of debt we carry as a province will be with us and with our children for many years to come.

But that is no excuse for inaction.

On the contrary, Nova Scotia's debt, now at $11.6 billion, demands that we act now.

Over the past decade, just the last 10 years, Mr. Speaker, that debt has cost Nova Scotians more than $7 billion in debt-servicing costs. It amounts to a long list of lost opportunities.

Mr. Speaker, I want to make something clear. Something I believe is often misunderstood. We can't deal with the debt until we deal with the deficit. It is impossible to start paying down the debt-it is impossible to begin to ease the burden on our children-until we end the costly practice of spending more money on programs and services each year than we collect in yearly revenues.

Let me use an analogy. We've been paying for the groceries by taking out a second, third, and fourth mortgage on the house-a house in desperate need of repair.

Mr. Speaker, more of the same will result in one of two things. The house will either collapse around us or eventually be seized by the banks. In either case, the kids move out.

Most Nova Scotians understand we cannot continue down the same path.

In fact, every member in this House agrees that we need to end deficit spending.

Where this government differs from the opposition is that we believe 40 years is long enough. This government will live within its means.

This budget does not fudge our commitment with empty assurances, like "We will balance the budget... but only when the time it right."

No, Mr. Speaker, this government made a commitment to present a truly honest and truly balanced budget in the third year of our mandate. And this budget honours that commitment.

**Investing in Nova Scotia's Priorities**

As well, this budget, along with every other budget we have presented to this House, honours our commitment to protect the priorities of Nova Scotians.

Contrary to what many Nova Scotians have been led to believe, we have not cut health care spending. We have not cut education spending. We have not cut the amount of money we spend to support the disadvantaged. Nor have we cut the budget for road or highway improvements.

Again I repeat, Mr. Speaker, we're not balancing the budget by cutting. We're balancing the budget by focusing on Nova Scotia's priorities... by getting out of money-losing industries by investing in new efficiencies... by basing decisions on evidence and yes, Mr. Speaker, by calling on those who benefit from government services to pay more.

In fact, the record shows that in the first two years of our mandate we added tens of millions of new dollars to respond to the priorities of Nova Scotians.

During this same time we expanded front-line services to rural Nova Scotia, provided unprecedented assistance to Nova Scotia's farmers, and directed millions of dollars into sustaining our forests.

And, Mr. Speaker, we did all of this and more and still met our commitment to present a budget today that eliminates the $500 million deficit we faced the day we took office.

We did all of this without increasing provincial income tax, without introducing new toll roads, and without forcing wage roll backs or mandatory unpaid leave on the public service.

And we did all of this despite reduced federal transfers for health, education, and social services that are only now retuming to 1994-95 levels. In fact, the cumulative reduction in federal transfers to Nova Scotia over the past eight years amounts to almost $1 billion.

Mr. Speaker, this year we are once again increasing funding for health, for education, to support the disadvantaged, and to improve the condition of our roads and highways.

We are once again fulfilling our commitment to protect and invest in the priorities of Nova Scotians.

**Nova Scotians Deserve the Credit**

Mr. Speaker, while this government set the course and stayed on course to arrive at a balanced budget, the credit for achieving this milestone rests with Nova Scotians.

Nova Scotians have shown incredible patience.

They've shown great tolerance after more than a decade of unkept promises to balance the budget, after seeing the list of pent-up demands grow and continue to grow as debt-servicing costs cut deeper into the next year's budget.

**Kids ... Common Sense ... Nova Scotia Values**

Mr. Speaker, this budget begins to put things right by our children. It respects and responds to Nova Scotians' collective desire to see that they have opportunity for success and enjoy a quality of life second to none - right here at home.

This budget says it only makes sense that we spend every available dollar on things that are worthwhile, such as buying books for Nova Scotia's students instead of Bentleys for New York bankers.

This budget respects and responds to Nova Scotians who work hard to live within their budgets and who expect nothing less of their government.

Mr. Speaker, this budget is about our children. It's about common sense. It's about respecting Nova Scotia values.

**Health Care: Nova Scotia's Number One Priority**

The number one priority of Nova Scotians is health care. And like most Canadians, it's also their number one concern.

It's also the number one concern of this government.

An aging population, rising drug costs, expensive new technologies, and heated competition for scarce health care professionals means that health care is eating up more and more of Nova Scotia's available program dollars. Fully 44 per cent of government's program spending now goes to meet the health care needs of Nova Scotians.

And because health care costs are growing at a faster rate than our economy, there is less new money to respond to the growing demands we see in virtually every other area of government. There is less new money to respond to the needs of our students, less new money to maintain our roads, less new money to invest in public safety.

Mr. Speaker, that is why we are making the kind of decisions that will better control those things that unnecessarily drive up costs - things like unhealthy lifestyles, lack of good information, outdated practices, and duplication of services.

Mr. Speaker, to address unhealthy lifestyles we are continuing to support Active Kids... Healthy Kids, a multi-year initiative involving community-based sport and recreation organizations across the province. The goal is to provide more young Nova Scotians with the opportunity to become more active and, in the process, Mr. Speaker, more physically fit.

As well, we are increasing the cost of cigarettes by five dollars per carton, effective midnight tonight. Mr. Speaker, this is one of the most effective ways to encourage smokers to quit and one of the most effective ways to stop young people from picking up the deadly habit.

We are also stepping up efforts to ensure that our drinking water, and our child care centres are safe.

Mr. Speaker, good health information is vital to good health care decisions. This budget includes $7.8 million to ensure our health care providers have the information needed to provide the best possible care to Nova Scotians.

Mr. Speaker, we are making decisions based on evidence and best practices.

That is why we are asking Nova Scotians to accept that we can provide more efficient health care-and in many cases better health care - by consolidating a limited number of services in hospitals that have the best technology and the best mix of health care professionals to meet patient needs.

It is simply no longer practical to think we can provide every service in every community. In fact, the evidence shows that in some cases it's not in the best interests of patients.

**$134 Million More for Health**

Mr. Speaker, this budget increases health care spending by $134 million, bringing the total health care budget to $1.98 billion dollars.

Budget to budget, funding for district health authorities is increasing by $87.5 million: $65 million for wages, with a further $22.5 million directed to front-line health care. After funding their 2001-02 year end deficits, the amount of new dollars for the DHAs is $61 million.

This budget also includes an additional $23 million to meet the long-term care needs of Nova Scotians and almost $7 million more to respond to Nova Scotia's growing home care needs.

And despite the difficult financial times we are in, we are investing in many other health care priorities

• $1.5 million for mental health services

• $1.8 million to help women and youth with addiction

• $420,000 to increase the number of nurse practitioners

• $1.0 million to reduce tobacco consumption

• $5.4 million more to provide special drugs to those in need Again, the year-over-year increase in health care spending - as substantial as it is - won't address every new demand.

But make no mistake, this government is providing all it can to ensure that health care is there for Nova Scotians today. We are doing everything possible to ensure that it is there for our children tomorrow.

**Ottawa's Indifference**

Unfortunately, the same cannot be said about Ottawa.

When medicare was first introduced, the costs were split 50-50 between Ottawa and the provinces. Today, Ottawa contributes just 14 cents of every dollar.

Mr. Speaker, at the same time as Ottawa was cutting back on paying its fair share of the health care bill, costs were going through the roof. The result is that Nova Scotia has been forced to contribute a larger and larger share of its program dollars to health care.

And, because we have some of the highest chronic disease rates in the country, our per capita health costs are well above the national average. Again, something Ottawa ignores.

It's been difficult for all provinces, Mr. Speaker. But it's been particularly difficult for smaller provinces like Nova Scotia. We simply don't have the same fiscal capacity as the larger, richer provinces to absorb massive cost increases.

And because of this, we have less revenue than Alberta or Ontario, for example, to take advantage of federal-provincial cost-shared programs, to fix outdated infrastructure, to cut taxes, or to create new jobs. These are the things that generate the revenue needed to sustain health care and other vital services. These are the things that Ottawa seems to believe Nova Scotians can do without.

Mr. Speaker, Ottawa likes to talk about one Canada.

The fact is, it makes policy and funding decisions that contribute to an even greater divide.

This is wrong.

And, Mr. Speaker, here's something else that's terribly wrong.

Nova Scotians have a once-in a-lifetime opportunity - the opportunity presented by our own offshore resources - to narrow the gap.

Unfortunately, Ottawa is standing in our way.

Despite a signed agreement saying that Nova Scotia would be the principal beneficiary from the development of its offshore, Ottawa continues to take 81 cents of every dollar the offshore brings in. This limits the amount of new revenue we have to invest in better health care, a better education system, and a stronger economy.

Mr. Speaker, Ottawa is taking Nova Scotia's best chance to narrow the gap.

It continues to take Nova Scotia's best chance to leave our children a legacy of real prosperity instead of lost potential.

And it's wrong Mr. Speaker ... it's dead wrong.

**Education: Focusing on the Fundamentals**

Mr. Speaker, this budget speaks loudly about the need to begin eliminating the burden of debt on our children. But, that burden will not be lifted if we rob them of a good education today.

From day one, this government has said there is a need to focus more on the fundamentals of all learning-reading, writing, and mathematics.

Again, Mr Speaker, we have remained true to our word. We have invested millions of new dollars to help our youngest learners become enthusiastic readers through Active Young Readers, Reading Recovery, and Read to Me. In fact, Active Young Readers alone has put 425,000 new books into the hands of our youngest students.

And this year, Mr. Speaker, the Writers in Action program will help ensure that our children learn grammar, writing, and speaking skills-skills that can make a world of difference, the difference between success or failure.

Over the past three years, this government has provided the funding to give every student from grade 7 to grade 12 a mathematics textbook. Mr. Speaker, something as basic as this shouldn't be remarkable or even noteworthy, but it is. Why? Because it hasn't always been a priority with past governments. It is with this one. This government believes that math matters. We are therefore building on our earlier investments by expanding foundation courses to help struggling students learn the value and benefits of a good understanding of math.

These are just some of the new efforts government is making to ensure that our children have the reading, writing, and math skills they need to continue to learn throughout their lives.

These are just some of the educational priorities we continue to support through this budget.

Mr. Speaker, over the past five years student enrolment declined by more than 10,000 students, while the number of teachers remained relatively constant. It is anticipated that the decline in student popula­tion will continue for some time to come, with a reduction of more than 2,200 students again this year.

Despite the drop in student numbers, this govemment has increased funding to public school education by nearly $28 million over the last two years, resulting in a significant increase in per student funding.

Public school education funding will increase again this year by another $19 million, from $792 million to $811 million.

Mr. Speaker, the education budget also includes $76 million for new schools and $13 million for renovations, bringing the total amount to be spent this year on new schools, schools under construction, and renovations to over $89 million.

Au cours de l'année 2001-02, on avait remis en question l'utilisation des fonds fédéraux envers l'éducation en français langue première.

A ce moment, la Province a pris l'initiative de former un comité qui regroupait tous les intervenants dans le domaine des services éducatifs en français,

Je suis content d'annoncer que le comite est arrivé à un consensus que les fonds fédéraux destinés à l'éducation en "français langue première" avaient effectivement servi la communauté acadienne de la Nouvelle-Ecosse.

Translation: In the last fiscal year, the use of federal funding marked specifically for French educational services had been the subject of some controversy.

The province decided at that point to form a committee bringing together all parties involved in French educational services.

I am very pleased to say that the group arrived at a consensus that the federal funding marked for educational services to the Acadian community was used exactly for that purpose.

This budget also increases funding for Nova Scotia's first school of adult learning, bringing this year's funding to almost $2 million. This successful new initiative is giving literally hundreds of Nova Scotians the education they need to do better and the confidence they need to set and achieve higher goals for themselves and their families.

Let me point out that the bulk of the increase in school board funding includes a 2 per cent wage increase for teachers this year, with an additional 2 per cent in each of the following two years.

The Education budget also includes $21 million to meet government's existing contractual obligations with the Nova Scotia Teachers Union to fund 100 per cent of the life, medical, and dental premiums for Nova Scotia's teachers-something currently under negotiation.

Mr. Speaker, wages and benefits for our public school system cost in excess of $600 million. Every 1 per cent increase in salaries means we need to find an additional $6 million from somewhere else.

We believe that the amount budgeted is reasonable, fair, and affordable.

Again, let me repeat: funding for the public school system is going up, not down.

The level of funding we are providing to educate our students is more, not less.

Mr. Speaker this government expects, and we will ensure, that every dollar meant for the classroom goes to the classroom.

Where accountability or proper spending controls are not already firmly in place, they will be shortly.

As well, new spending restrictions will be introduced to ensure that school boards focus squarely on the classroom and never again on the boardrooms of private-sector ventures.

**Post-Secondary Education**

Mr. Speaker, last year, this government increased funding to the community college system by over $5 million, creating hundreds of new opportunities for young Nova Scotians to pursue careers that are in demand.

To protect this investment, funding for community colleges will once again be increased-by another $4 million. The additional money will relieve funding pressures resulting from wage increases, enabling the community college system to continue to deliver its current range of course offerings.

In addition, $1 million has been paid from the 2001-02 budget for the community college system to identify future needs and future opportunities to help more young Nova Scotians get the skills they need.

As with the public school system and the community college system, this government increased funding to universities in the first two years of its mandate.

Monsieur le Président, en ces temps de grandes coupures et de réductions, alors que l'argent se fait rare et que demandes augmentent, nous avons réussi à maintenir l'aide financière à nos universités aux montants de 201$ million. En plus de cette assistance, une somme de 500,000$ est destinée au fusionnement de l'Université Sainte-Anne et du Collège de l'Acadie - une initiative vitale qui protègera et rehaussera les chances d'éducation et de formation pour les Acadiens et les Acadiennes de la Nouvelle-Écosse.

Translation: Mr. Speaker, at a time when dollars are scarce, demands are high, and other program areas are being eliminated or reduced, we have managed to continue to fund our universities at current levels of $201 million. In addition to this amount, $500,000 has been set aside to allow for the merger of Universite Sainte-Anne and College de l'Acadie - a vital initiative that will protect and enhance educational and training opportunities for Nova Scotia's Acadian students.

Mr. Speaker, at the same time as many businesses and industries are either experiencing or predicting a shortage of skilled workers, Nova Scotia is losing too many of its best and brightest to other jurisdictions.

Government has a responsibility to lead the effort to ensure that Nova Scotians are the first in line to fill every new job-whether it's in the oil and gas, tourism, or technology sectors; whether it's in the construction trades or a job on the farm.

To that end, we will be proceeding with the Nova Scotia Skills Agenda. This will be a joint initiative involving government, business, industry, labour, school boards, the community colleges, and universities. The aim is to better match educational needs with future job demands. The goal is to provide every young Nova Scotian with the knowledge, skills, and training he or she needs to land and keep a job here at home.

Critical to the success of this initiative is a commitment by all of our partners to take a more co-operative approach in responding to existing as well as emerging labour market needs. Critical to the success of this initiative is the need to remove some of the institutional barriers that drive up costs for both students and taxpayers.

We expect all of our education partners to make system-wide changes and to demonstrate to young Nova Scotians that their future is here in Nova Scotia.

Mr. Speaker, despite increasing funding to our universities over the first two years of our mandate, tuition continued to go up. We know that more and more Nova Scotians are becoming increasingly concerned about the cost of a post-secondary education. It's also a concern of this government.

Officials from my department and the Department of Education are presently developing a program to help those Nova Scotia students, most in need, with the high cost of a university or college education. The details of this program will be released over the course of the next 12 months.

Again, Mr. Speaker, the total budget for education is going up, not down: $23 million more will be spent on education this year.

As with health, the increase in education funding won't satisfy every want or every demand. But again, it speaks to our commitment to protect, and where possible enhance, the quality of education we provide our children-particularly our youngest children.

**Support for Those Who Need It Most**

Mr. Speaker, Nova Scotians rightfully expect their government to assist those among us who are disadvantaged by poverty or disability. They also expect that government will put in place the proper supports to help as many Nova Scotians as possible achieve a greater level of independence.

This government recognizes that if given the choice of a life on welfare or a future with hope, Nova Scotians will choose the latter. That is why we are maintaining and making new investments in programs to support those who need it most.

Mr. Speaker, one of the most positive changes this government has made is to provide an integrated child benefit - a combination of the National and Nova Scotia Child Benefit programs - to all low-income families making $20,921 and less.

Mr. Speaker, we have demonstrated our commitment to help children living in poverty. Some 35,000 Nova Scotian families and approximately 60,000 children receive this benefit.

These changes, combined with a stronger economy, helped more than 3,000 Nova Scotians find independence in 2001-02. We expect another 3,000 Nova Scotians will gain employment this year as our economy continues to grow and more social assistance recipients participate in employment support programs.

Mr. Speaker, this government continues its commitment to give our youngest children a good start in life. This year $12 million, an increase of $3 million, will be provided for early childhood develop­ment, with another $2.7 million dedicated to maintain support programs for children.

We are also working to ensure that the victims of domestic violence are not further victimized by being forced to leave their own homes. Over $500,000 will be spent by the Department of Justice to put in motion a new approach for helping victims of family violence. Mr. Speaker, this government wants the abuser to leave... not the victim to flee.

As well, Mr. Speaker, the Department of Community Services will be taking steps to better serve its clients through enhanced technology and more efficient program delivery. This investment will ensure that every client receives the support they are entitled to, no one receives more than they should, and no parent waits to feed or clothe their child.

As in every year this government has been in office, the budget to support the disadvantaged is going up.

**$85 Million for Roads**

Mr. Speaker, the capital budget for road and highway improvements increased by $23 million over the first two years of our mandate. But as practically every person who drives a car in Nova Scotia will tell you, our roads and highways are still in desperate need of repair.

In fact, it would take more than $3 billion over 10 years to address all of our road and highway deficiencies.

Obviously, we do not have that kind of money. And, Mr. Speaker, we simply can't afford to wait.

It is for these reasons that I am announcing that, effective midnight tonight, there will be a two-cent increase in motive fuel taxes - every cent of which will go toward our roads, bridges, and ferries.

In fact, every cent and more will go to improving our roads and highways.

The increase in gas taxes will bring in over $23 million. In addition to this, government has allocated over $62 million in capital spending for the Department of Transportation and Public Works, bringing the total amount for capital improvements for our roads, highways, bridges, and ferries to over $85 million - $32 million more than was spent last year.

This amount won't mean that every road will get paved or every bridge will be fixed-far from it. But at a time of severe financial restraint this investment is a clear indication of this government's efforts to address a pressing need, particularly in rural Nova Scotia.

All told, capital spending to address many of Nova Scotia's urgent priorities will amount to $219 million.

**Supporting Municipalities**

Mr. Speaker, government recently announced a new plan to support municipalities, based on a fair and long-overdue increase in what Nova Scotia Power Incorporated should be paying in taxes.

The new municipal equalization plan will ensure that no matter where you live in Nova Scotia you will continue to receive vital local services. It will also ensure that struggling communities are given a much-needed lifeline to help them rebuild their economies.

As well, Mr. Speaker, municipalities benefit from government taking over an additional $6.6 million in social assistance costs, the final step in the province assuming full responsibility for that program.

Despite some budgetary measures such as a reduction in discretionary grants, an additional contribution towards education, and the elimination of restricted licence plates, municipal governments realize a net benefit from the actions of this government.

**Difficult But Necessary Choices**

Mr. Speaker, this government has made the difficult but necessary decisions to ensure we achieved balance.

Let me give you one example. We closed Sysco.

Today, instead of adding to the slag piles and scrap heaps, instead of piling more and more onto the deficit, the Sysco site is being cleaned up and is generating modest revenues for the province.

Mr. Speaker, we will continue to make the difficult but necessary decisions to ensure we remain in balance. While Nova Scotia is benefiting from a growing economy, the demands in health care, education, and social services exceed expected new revenues.

That is why we have taken steps to increase fees and revenues. I have already announced, prior to this budget, measures totalling $22 million. Other measures included in this budget will provide another $51 million to respond to Nova Scotia's priorities.

In addition, contributions from gaming and liquor Crown corporations will increase by $28 million.

Recently I announced that the Large Corporations Capital Tax, due to end this year, would not. Today, I am announcing that it will continue until March 31, 2004.

Mr. Speaker, even with these additional revenues we had to find savings elsewhere. We had to make some tough decisions.

In making our decisions this govemment asked a number of important questions:

• Is it fair?

• Is it reasonable?

• Are we addressing the most urgent priorities of Nova Scotians?

• Is it in keeping with our commitment to smaller, more efficient, and affordable government?

• Can we do things better or more efficiently or in a different way? In some cases, the reductions in this budget are reflected in a cut to discretionary grants. In some cases, they are reflected in program reductions. In some cases, it is a reduction in the number of funded positions. In some cases, it is the need to find better ways of achieving better results. In other cases, it is simply because we can't afford the existing program at a time when other important priorities need to be addressed.

But in all cases, Mr. Speaker, we kept our focus on what is most important to Nova Scotians.

We kept our focus on their priorities-with more money for our hospitals, schools, and roads.

We kept our focus on the economic health of Nova Scotia by providing for greater fiscal certainty.

We kept our focus on what we need to do today to ensure that our children grow to be healthy productive adults, with children of their own, who travel on good roads, who go to good schools, and who, when the need arises, get top-notch health care.

Tomorrow, we will need to look beyond our borders and focus on new ways to ensure greater co-operation with the other provinces. We must look for every opportunity we can to reduce costs so that we can deliver what is important to all of us as Canadians.

**Nova Scotia's Economy ... Positive Growth**

Mr. Speaker, Nova Scotia's economy is doing well - 3,800 new jobs were created last year. This year another 3,000 new jobs are expected to be created.

These jobs are being created because the Nova Scotia economy is forecast to grow by 1.9 per cent.

Mr. Speaker, continued economic growth means that Nova Scotia is paying more of its own way. Three years ago the split in provincial/federal revenues was about 62/38. In 2002-03, 64 per cent of the province's revenues is coming from provincial sources and only 36 per cent from Ottawa.

While growth this year will be positive, the indicators for 2003 are even better. Economic growth is forecast to rise to 3.7 per cent next year. Nova Scotians will continue to benefit from investments in our offshore. More jobs will be created in our construction, business services, and transportation sectors. And, Mr. Speaker, these jobs are being created where they are needed most. Cape Breton was one of the leaders in employment growth this past year.

Mr. Speaker, while the private sector must drive economic growth, government can take focused actions to establish the climate for growth.

Mr. Speaker, creating employment opportunities is a priority of this government. That is why I am pleased to announce today an extension of the Film Tax Credit to December 31, 2005.

This government also understands it must manage its affairs properly, bringing greater certainty to the public finances.

That is why I am pleased to announce today that this government will soon release a debt and surplus management plan. A plan that should give confidence to Nova Scotians that this government will follow the right path to financial stability and chart the right course for our children.

That path is already paying dividends. This year our debt-servicing costs will decline by $44 million year over year. This is partially the result of lower interest rates and partially the result of this government's aggressive efforts to limit our exposure from foreign borrowing. Since this government came to office, foreign exchange exposure has dropped from 51 to 29 per cent and will be below 20 per cent by 2004.

Mr. Speaker, let me attempt to summarize this budget. We are benefiting from increased revenues, driven by a strong provincial economy and new fees and recoveries. We will spend millions more on health, education, social services, and other priorities of Nova Scotians. We made the difficult decisions and through prudent management, balanced the budget.

**Choices and Priorities**

Mr. Speaker, it comes down to choices and priorities.

This government believes that our children's future is a priority - that is why we made the choice to balance the budget and still invest more in education.

This government believes that reliable, predictable, and sustainable health care for all Nova Scotians is a priority - that is why we made the choice to balance the budget and still spend more on our hospitals, nurses, and doctors.

We believe that growing our economy is a priority - that is why we made the choice to balance the budget, help more families achieve independence, and invest more money in roads.

Mr. Speaker, the budget we are sharing with Nova Scotians today begins to put things right by our children. It ensures that more of Nova Scotians' hard-earned tax dollars will be spent on them instead of wasted on the banks. It says to Nova Scotians, just as you work hard to live within your means, so too will your government.

Mr. Speaker, this budget is all about our children, common sense, and Nova Scotia values.

Thank you. Merci.