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| ***Province*** | ***Législature*** | ***Session*** | ***Type de discours*** | ***Date du discours*** | ***Locuteur*** | ***Fonction du locuteur*** | ***Parti politique*** |
| Nouvelle-Écosse | 59e | 1re | Discours du Budget | 26 Avril 2005 | Peter Christie | Minister of Finance | Progressive Conservative Party of Nova Scotia |

**Introduction**

Mr. Speaker, Premier, colleagues.

Today is a big day for me and for all of us in this Chamber.

But for most Nova Scotians it's just like any other day.

They got up this morning, got dressed for work.

Perhaps they got the kids off to school before heading out to check on an aging parent.

Perhaps they went for their first job interview or celebrated their last day on the job before retiring.

Many, I'm sure, are not even aware that today is budget day.

But it's a day, Mr. Speaker, that will affect practically every Nova Scotian - either immediately and directly, or over time - in important ways they may not even notice.

I say this, Mr. Speaker, because the decisions we take and the choices we make here and now have far-reaching implications for our province and the people we serve, not just today, but well into the future.

And I say this, Mr. Speaker, because I want Nova Scotians to know that, just as we have with each and every budget we have brought before this House, we once again thought long and hard - not just about what is the right budget for today, but about the best budget to build a better Nova Scotia tomorrow.

Mr. Speaker, I am proud to present my second budget as Minister of Finance and Nova Scotia's fourth consecutive balanced budget:

• A budget that includes significant new dollars to help our kids do better in school and to grow into healthy, productive adults.

• A budget that continues to build on our economic strengths, to address our social challenges, and to help struggling families better cope with the demands and costs of raising a family.

• A budget that remains true to our commitment to live within our means, while doing everything within our means to address the priorities of Nova Scotians.

• A budget, Mr. Speaker, that contains no new taxes and will end the year with a $63.3 million surplus, $61 million of which will go toward debt reduction.

**A Look Back to 2004-2005**

Mr. Speaker, Nova Scotia is forecasted to end fiscal 2004-2005 with a $87.5 million surplus, every penny of which will be applied to our debt.

Let me take a moment to point out that Nova Scotia is one of only two provinces in the country in recent years to have tabled four balanced budgets in a row.

As things go, 2004-2005 was a good year... a better year than most. Our economy did better than many of our private forecasters expected, generating 10,300 new jobs (95 per cent full time).

In fact, last year, Nova Scotia recorded the highest job growth in the country.

In addition, Mr. Speaker, finally, after pushing hard for a fairer health-care deal and a fairer equalization-sharing agreement, Ottawa came through with both.

In September we reached a new Health Accord and in October a new equalization deal.

Both of these new agreements, along with an economy that exceeded expectations, allowed us to make additional investments in the third quarter of 2004-2005:

• Investments that will have a positive impact on the programs and services we provide to Nova Scotians throughout 2005-2006 and well beyond.

• Investments we used to meet and/or exceed the commitments we outlined in our Blueprint for Building a Better Nova Scotia.

• Investments we made knowing they would help address the priorities of Nova Scotians:

- like $500,000 for a new wheelchair recycling program for children 18 years and younger, $400,000 to launch a new breakfast program for our elementary students, and $2.7 million more to repair the homes of our seniors and low income Nova Scotians

- like $8.8 million to support struggling farm families and $10 million more to promote tourism

- and $20.3 million in university funding including $12.3 million for the first installment on our multi-year funding agreement.

Mr. Speaker, our strong economic performance throughout 2004-2005 and the additional dollars we received from Ottawa also enabled us to make a $60-million down payment on our debt, which in turn gives us greater capacity over the next two years to address the urgent need to fix more of our roads and to replace more of our aging bridges - something every member of this House has said, and every Nova Scotian knows, is crucial, not just to public safety, but to supporting a growing economy.

**Economic Outlook for the Year Ahead**

Mr. Speaker, our economic indicators, as well as those prepared by private sector forecasters, indicate Nova Scotia can expect steady growth over the coming year. Employment growth is expected to increase 1.5 per cent in 2005 and one per cent in 2006, with the unemployment rate dipping slightly in 2005 and remaining stable through 2006. It is also anticipated that there will be modest growth in personal income over the next two years and that the Consumer Price Index will increase by 1.9 per cent this year and 2.0 per cent next. As well, Nova Scotia is expected to witness a 4.2 per cent increase in personal expenditures on consumer goods and services and a 4.4 per cent growth in retail sales.

Mr. Speaker, real GDP is projected to increase by 2.1 per cent this year and 2.6 per cent in 2006.

**Debt-to-GDP Ratio Down Again… Credit Ratings UP**

Mr. Speaker, this government was among one of the first governments in Canada to adopt generally accepted accounting principles (GAAP).

We were the first government in Nova Scotia to successfully eliminate the province's deficit and to table a debt-reduction plan.

And, Mr. Speaker, if it is the will of the opposition to allow this minority government to continue, we will be the first government in the history of Nova Scotia to watch our debt go down.

Our Debt Reduction Plan is not just on target, it has been accelerated.

As our Premier has already said, every penny of every dollar from the $830-million up-front payment we expect to receive from Ottawa as a result of successfully negotiating a better offshore deal will go to the debt. This will free up significant new dollars that would otherwise go to servicing the debt, an estimated $20 million this year and approximately $50 million annually.

Mr. Speaker, as a minority government, and at a time when demands are great and the dollars to meet them still in short supply, it could be awfully tempting to bow to the demands to spend some or all of the $830 million in new offshore money.

But that is not the way of this government or our Premier.

We will continue to make the right decisions for our province today, but always with a view to building a better future.

We will continue to do what we can, whenever we can, to ease the burden of debt that weighs heavily on our minds... and heavily on our children's shoulders.

With that said, let me take a moment to address the significance of the debt, and why it is what it is.

Mr. Speaker, almost 80 per cent of the increase in the debt since 1999 is the direct result of adopting transparent accounting rules and the provision for closing Sysco, the sale of NSRL, and the addition of assets for P-3 leases. Before 1999, the debts of Sysco, Nova Scotia Resources Limited, and the regional health boards, for example, were not included in the provincial budget and not accounted for when recording our true debt.

Today they are, as they should be.

As well, in keeping with subsequent changes to generally accepted accounting principles and Public Sector Accounting Board policies, we consolidated and recorded $1.1 billion in pension and retirement allowances, including $ 75.2 million for school boards retiring allowances.

And obviously, Mr. Speaker, before you can tackle the debt, you need to eliminate deficit spending.

Which we did in 2002, on time, and as promised.

We also borrowed over our time in government so we could begin addressing Nova Scotia's significant infrastructure deficit.

Money we used to pay for the capital costs of road improvements, better hospitals, and new schools that, thankfully, we once again own and control.

And, we did just as any responsible business man or woman who is expanding their business would do, just as any responsible home owner who is making needed repairs to their home would do, we set aside money from our revenues to cover the cost of the dollars we borrowed.

Mr. Speaker, we could have chosen to neglect our roads, hospitals, and schools. We didn't.

We could have chosen to cut deeply into program spending and layoff hundreds if not thousands of highway workers, nurses, or teachers to pay for urgently needed capital improvements.

We didn't.

We rejected that approach because it would have been bad economics based on faulty assumptions that would have led to chaos throughout the public service and concern among investors.

Instead, we did what was reasonable and right. We did what was totally consistent with GAAP and totally consistent with the most modern and transparent rules of accounting - we borrowed the capital dollars needed to support the needs of the travelling public, of patients, of students, and of a growing economy and amortized the annual costs of our capital investments.

This year, total capital spending on highways, schools, health care facilities and other important infrastructure investments total $280 million.

Yes, the debt has grown, but so has our economy. In fact, in many ways, the dollars we borrowed for capital improvements to our roads, hospitals, and schools helped put un-employed Nova Scotians back to work, which in turn provided an extra boost to our economy.

Mr. Speaker, make no mistake, Nova Scotia's capacity to manage its debt has significantly improved in recent years.

Nova Scotia's net direct debt to GDP ratio is projected to go down once again-for the fourth year in a row-from 46.8 per cent in 2001-02 to a forecast of 39.6 per cent this year.

And so is our foreign currency exposure. In 1999 it was 51 per cent; today it is 16.2 per cent.

These are two important indicators of the government's improved financial strength.

Mr. Speaker, it was sound and prudent management of the province's finances that prompted all three of the province's credit-rating agencies to improve Nova Scotia's credit rating during this government's time in office.

In fact, it was the first time ever the Dominion Bond Rating Agency positively adjusted Nova Scotia's credit rating.

So, for those who disagree with borrowing the capital dollars needed to fix our roads, replace our aging schools, or modernize our hospitals, the question becomes: How would you pay for infrastructure improvements without throwing us back into deficit, without huge layoffs, wage freezes, or rollbacks, without significantly increasing taxes... without damaging the economy?

This government provided an orderly transition from years of over-spending and huge deficits to a new period of fiscal stability, while at the same time improving services to Nova Scotians.

Mr. Speaker, Nova Scotia's fiscal health has significantly improved since 1999 and continues to steadily improve to this day.

And even though this gives us a bit more flexibility to address the needs of Nova Scotian families, we must continue to keep our shoulder to the wheel, our eye on the ball, when it comes to managing the province's finances.

We must continue to make investments that count and that contribute to Nova Scotia's long-term economic success and social progress.

That is why this budget includes significant new investments in education and to support healthy living.

**Growing Up Great - Investing in Education and Healthier Kids**

Mr. Speaker, in his most recent State of the Province Address, the Premier said, "We are going to apply the same kind of discipline and determination to improving the health and academic success of young Nova Scotians, as we did to improving the fiscal and economic health of our province."

Mr. Speaker, I am pleased to announce that the budget to help our primary to grade 12 students do better in school is increasing by $53.7 million, bringing the total amount to $928.6 million, a 6.1 per cent increase over 2004-2005.

Of course, I think we all know that it's not just how much you spend, but where you spend it, and how you spend it, that counts.

That is why, in February, we brought hundreds of parents, teachers, school board members, administrators, and others together for the largest education forum ever held in our province.

We discussed with them the next steps for building on the success of our Learning For Life plan and shared with them our vision of an education system that is more responsive to student needs, more accountable to parents, and more supportive of a healthy, more productive learning environment.

The budget I am tabling today reflects, to a great extent, what they told us.

And they told us our plan was solid and our vision on the mark.

Mr. Speaker, this year's budget includes $5.6 million more to hire more specialists - more speech language pathologists, school psychologists, and teachers, including more resource teachers to help students struggling with reading and math, and more physical education teachers to help get our kids in better shape, and stay in shape.

It includes $6.3 million more to extend our multi-year plan to reduce class sizes in the early years. As promised, this fall the 25 student per classroom maximum will be extended beyond grade primary and grade 1 to include all grade 2 students.

As well, in all grade primary and grade 1 classes where there is a special needs student following an Individualized Program Plan, either the class size will be capped at 20, or there will be the additional supervision of another adult.

Mr. Speaker, once again, these measures demonstrate this government's commitment to give more of our youngest learners more one-on-one time with their teachers.

The budget also includes an additional $1 million for more books and teaching resources. And, Mr. Speaker, this is on top of the $500,000 we announced in December.

It also includes new dollars to address an issue of serious concern to parents, teachers, and Nova Scotia's business community.

Mr. Speaker, we are investing $1.9 million to help more young Nova Scotians at risk of dropping out of school and at risk of losing out on a good future here at home. We will do more to help them find new opportunities to apply their talent and their skills in ways that will have lasting and positive benefits for them and for our economy.

Beginning this fall, and starting in grade 10, Options and Opportunities will provide at-risk high school students with hands-on trades training that matches potential high school dropouts with qualified employers who will provide structured, co-operative learning experiences in partnership with the Department of Education and local school boards.

Mr. Speaker, students who enter this program and meet or exceed expected outcomes will be guaranteed the opportunity to continue their learning experience and their journey toward personal success. We will make sure there is a seat open and available to them at a Nova Scotia Community College campus where they can continue their studies.

Mr. Speaker, this is just one example of the good work and forward thinking of businessmen and women within our province who are determined to see Nova Scotia's economy grow. It is just one example of this government's commitment to work in partnership with them, our school boards, and our community college, to address our skills shortage and to take advantage of the numerous opportunities that are available to young Nova Scotians across our province.

In addition, the Department of Education will introduce new youth apprenticeship programs to build important workplace skills and to help young Nova Scotians make better, more informed career choices.

Mr. Speaker, in the interest of time, I will not be able to cover all that we are doing to advance the academic success of our students.

But let me cover a few more highlights.

As promised, we will soon pilot up to 20 free and full-day, activity-based preschool programs for four-year-olds in areas that meet the following criteria: where there is known demand, where there is a lack of readily available day-care spaces, and where existing schools have room to accommodate additional students.

Our preschool program is designed to better prepare our youngest learners for their first big step onto the school bus and into the classroom.

Mr. Speaker, many of the new dollars we are investing in education will be targeted to programs where we know the need is great and where we have established specific outcomes, such as improving the ratio of specialists to special needs students.

The balance of the increase in program spending will go directly to school boards to cover wage and other operating costs pressures, as well as, for example, to increase funding for healthy living and to enhance literacy support programs.

And, as announced last month, no school board, despite steep declines in student enrolment, will receive less money this year, based on the findings of the recent School Funding Review Process. In fact, every board will receive more in 2005-2006. We will, however, in the interests of fairness and in the interests of ensuring equity throughout the public school system, increase by a larger margin, the funding to boards with unique pressures, such as the Halifax, South Shore and Tri-County School Boards.

Mr. Speaker, our schools have a big influence on healthy attitudes and a big role to play in shaping healthy decisions.

That is why the Department of Education, and the Office of Health Promotion, will be spending an additional $3.5 million on school-based initiatives to help our kids get in shape and stay in shape. Included in this amount is $750,000 more to introduce a province-wide healthy breakfast program for our elementary schools and $345,000 more to expand the hugely successful healthy eating strategy that was piloted in our Valley schools - a pilot, that clearly demonstrated the health dividends for our children when our schools promote healthy eating and provide healthy food choices.

I have covered only a few of the highlights of our plan to revitalize and re-energize Nova Scotia's public education system. The full plan, which will provide a lot more detail to students, teachers, and parents, will be released in the coming weeks.

And, Mr. Speaker, beyond the $53.7 million in new operating dollars we are providing to improve the academic performance of our students, we are also providing $55.7 million in capital funding to either replace or make additions and alterations to our P-12 schools.

**More Money for Post-Secondary Students**

Mr. Speaker, two years ago, we announced a 10-year, $ 123-million capital expansion plan for the Nova Scotia Community College.

That plan will see a new state-of-the-art facility built in the Halifax Regional Municipality and major upgrades at virtually every other campus across the province, providing an additional 2,500 young Nova Scotians with the opportunity to pursue a quality education and a good future here at home.

This year, we are investing an additional $30.1 million, for a three-year total of $68.9 million in capital improvements. We are also increasing the operating grant to the Nova Scotia Community College by an additional $7.8 million, bringing it to $81.8 million for 2005-2006.

This investment, Mr. Speaker, underscores this government's commitment to help more Nova Scotians get the skills and trades training they need to succeed.

It also underscores this government's commitment to make sound investments today that will support a stronger economy tomorrow.

Mr. Speaker, as mentioned earlier, late last year, we signed a multi-year funding agreement with our universities-an agreement that will see annual grants to universities increase by approximately $34.7 million at the end of three years. As part of this agreement, our universities have agreed to hold annual tuition increases to no more than 3.9 per cent. This, Mr. Speaker, is significantly better than the average increase of 6 or 7 per cent in recent years, and a far cry from the mid 1990s when government cuts to university grants forced tuitions to rise sharply.

And let me take a moment to set the record straight. It has been suggested - wrongly suggested - that Nova Scotia is at the bottom of the pack when it comes to funding our post-secondary students. This is simply not true. In fact, on a per-capita basis, Nova Scotia's funding for post-secondary education is higher than most provinces.

It has also been suggested that we should simply impose a tuition freeze on our universities. Something that has been tried elsewhere with significant financial consequences for those students who were in the midst of their university education or just about to enter. For example, British Columbia imposed a tuition freeze that lasted six years. When it was lifted, as was inevitable, and the quality of education began to rapidly decline, students found themselves grappling with huge tuition increases and hefty new fees. In fact, within three years tuition rose by as much as 80 per cent at British Columbia universities and by more than 100% at B.C. Colleges.

Mr. Speaker, our universities, like virtually every other business or public institution, are not immune to rising cost pressures, such as the cost of increased wages or other operating expenses.

And while it might seem like imposing a tuition freeze on our universities is the politically convenient thing to do, it would be the wrong thing to do when it comes to protecting the quality and accessibility of a university education for tomorrow's students.

Having said that, as a government we have done, and we will continue to do, what we can to help young Nova Scotians better manage the cost of their investment in a quality education. Our student debt-assistance program, introduced two years ago, now enables graduates who make an earnest effort to repay their loans and who work in Nova Scotia to qualify for up to 40 per cent loan forgiveness on the provincial portion. This year, we are increasing the budget for loan forgiveness by an additional $1 million as more students take advantage of this program.

As well, in partnership with the federal government, we are making changes to the Nova Scotia Student Loan Program to enable more students to qualify for a student loan and for the loan forgiveness programs I just referenced.

All told, the government has increased support for Nova Scotia's post-secondary students by $13.4 million, for a total of $309.5 million in 2005-2006.

Mr. Speaker, the increased investments in our public school system, in skills and learning, and in our post-secondary education system for 2005-2006 amount to $ 71.7 million, bringing the total budget for education to $1.28 billion, a substantial increase that will help our students do better in school and lead them to a better future here in Nova Scotia.

**Better Health Care, Better Health Decisions**

Mr. Speaker, Nova Scotia has one of the country's oldest populations, along with some of its highest chronic disease rates, both of which put huge pressures on our budget.

In order to keep up with demand and enhance our efforts to improve access to quality care, we are increasing the operating budget for the Department of Health to $2.56 billion, an increase of $218 million, or 9.3 per cent, over 2004-2005.

And for the record, and as promised, every cent of every additional dollar received as a result of our new Health Accord with Ottawa and more will be spent on health care.

In December of last year, we accelerated our efforts to speed access to care by increasing funding to our district health authorities and the IWK by $18 million. This funding will now be carried forward in their base budgets. All told, funding to our DHAs now stands at $1.21 billion, a $102.3 million or 9.2 per cent increase over last year.

As well, Mr. Speaker, every dollar of the $15 million provided through the Federal Diagnostic and Medical Equipment Fund is being used to purchase new state-of-the art equipment. A fifth linear accelerator was recently purchased for the Capital District Health Authority, reducing wait times for radiation therapy. And the number of publicly funded MRIs will soon double with the addition of four new scanners and the replacement of two others. Once they are on stream, Nova Scotia will lead the country when it comes to accessibility to magnetic resonance imaging. As well, in order to ensure access to more precise diagnostic testing, three new mammography screening units will be purchased to replace aging equipment.

Other investments to reduce wait times include funding for the additional 21 beds and to expand the Emergency Room at Valley Regional, an additional $2.3 million to operate the 25- bed orthopedic expansion at the Queen Elizabeth II Health Sciences Centre, $800,000 for the addition of another operating room at the Cumberland Regional Hospital, an additional $850,000 to expand the orthopedic program in New Glasgow, and $1.65 million to open an additional 50 restorative beds across the province.

As well, in order to improve services to children and youth, enhance emergency and crisis services, and expand community supports for Nova Scotians suffering from chronic mental illness, we are increasing the mental health budget by $6.4 million. Two million of this will be dedicated to implementing Nova Scotia's new mental health standards.

Mr. Speaker, recognizing the hardship on Nova Scotians who must travel, often long distances, for dialysis, we are also investing $ 750,000 to identify opportunities for them to receive this vital service closer to home, including examining ways to expand satellite dialysis.

We will also conduct a thorough review of existing pain-management services with a view to reducing wait times for patients suffering from chronic pain; and we will introduce a new palliative care program for the people of South West Nova.

Mr. Speaker, here a few of the other investments we are making to expand or enhance health-care services to Nova Scotians.

In consultation with the Diabetes Association of Nova Scotia, we will launch a new Low-Income Diabetic Assistance Program. This program will help diabetics offset the cost of the supplies they need to better manage and control a disease that all too often and all too soon robs them of their quality of life. A total of $2.5 million has been budgeted for this, the first year of the program.

In consultation with the Heart and Stroke Foundation of Nova Scotia and the South West Nova District Health Authority, we will spend $500,000 to pilot new efforts to prevent stroke and improve acute care, emergency care, and rehabilitative services for stroke survivors.

And, in co-operation with the Nova Scotia Hearing and Speech Clinic, we will introduce Sound Start, a new program that will test every newborn for hearing impairment and direct babies with hearing problems to early intervention services.

We are also committing $500,000 to operate Cape Breton's new methadone clinic, $ 750,000 to increase the personal care hours available to home care clients, and an additional $500,000 to expand the Self-Managed Attendant Care program. This program provides Nova Scotians with disabilities direct funding so they can control, manage, and pay for their own care needs.

These investments are just a few examples of the steps we are taking to ensure that Nova Scotians receive the care or assistance they need, when they need it, hopefully preventing many of them from prematurely requiring either hospital or long-term care.

But even with these investments, we recognize that Nova Scotia's aging population requires an additional investment in continuing care. We recently opened an additional 32 long-term care beds at Grand View Manor in Berwick and announced 25 more for Cape Breton.

And, as Members know, the Department of Health is presently conducting province-wide consultations to identify the best approach to meet Nova Scotia's long-term care needs and to respond to communities where the need is most urgent.

Notwithstanding, we already have sufficient evidence to confirm that there are two significant pressure spots: Cape Breton and Halifax. That is why, this year, we will begin planning for an additional 100 long-term care beds in Cape Breton and another 100 to 150 beds for the area of Bedford-Sackville.

Of course, the program investments we are making would mean little without the necessary health-care professionals to deliver them.

That is why we are committing an additional $300,000 to enhance our nursing recruitment efforts. This investment will be used to attract and retain nurses in our rural communities and is an important addition to our successful Nursing Strategy, which, since 2001, has significantly increased the number of registered nurses working in Nova Scotia.

As well, beginning in September 2006, we will fund an additional 25 nurse training seats at Acadia University.

We are also investing $650,000 to increase the number of community-based, multi-disciplinary teams available to serve the primary health-care needs of Nova Scotians. As part of this initiative, four additional nurse practitioners will be hired to support this creative, collaborative approach to health-care delivery.

And, Mr. Speaker, despite having one of the best doctor-to-patient ratios in the country, we know we cannot relax our efforts to ensure that every Nova Scotian has access to a family physician.

That is why, two years ago, we opened up eight new seats at Dalhousie Medical School. As a result, 16 medical students are now making their way through med school. This year we will provide an additional $450,000 to increase that number to 24 future doctors.

As you can see, Mr. Speaker, we are making significant new dollars available to reduce wait times, to provide health-care services closer to home, and to secure the right number and mix of health-care professionals needed to improve the quality of health care to Nova Scotians.

But there is no denying that unless we take the necessary steps to help Nova Scotians, particularly young Nova Scotians, make healthier choices, the budget for health care-which now represents 47.9 per cent of total program spending-will continue to eat up more and more of the dollars we have available to us.

That is why, two years ago, we became the first government in Canada to establish an Office of Health Promotion, with its own minister and budget.

Mr. Speaker, we made a commitment to double the budget of the Office of Health Promotion by year four of our mandate. This budget brings us within a shade of our goal-a full two years ahead of schedule.

The Office of Health Promotion will receive an additional $5.4 million, for a total of $23.9 million.

Included in this amount is an additional $1.8 million to implement some of the school-based initiatives I referred to earlier, such as our Sports Animators initiative and our Healthy Foods in Schools and breakfast programs.

Additionally, we will provide $360,000 to enable our district health authorities to hire additional public health nutritionists, who, as part of their responsibilities, will be working closely with our school boards to promote healthy food choices.

And, as announced with the release of our Responsible Gaming Strategy, $3 million has been earmarked for the prevention of problem gaming and for treatment services.

The balance of the increase in the Office of Health Promotion budget will largely be used to:

• allow for a Chronic Disease Prevention Coordinator in every district health authority

• launch a new program aimed at reducing problem drinking

• further support our Injury and Suicide Prevention strategy

• enhance our Active Kids, Healthy Kids initiative

• and, in consultation and co-operation with our district health authorities, our community health boards, and numerous health charities, launch a social marketing program to help more Nova Scotians change their unhealthy lifestyles.

Mr. Speaker, last year we invested an additional $330,000 in KidSport, a program designed to help children from families of modest means participate in sport. This investment tripled the total dollars available to support low-income children and resulted in hundreds more young Nova Scotians joining their friends on the baseball or soccer field or at the local rink.

This year, we have budgeted $1 million to provide parents who register their children in organized sport, or in recreational activities that support our goal of promoting physical activity, with an allowable tax deduction of $150 per child. Mr. Speaker, this is admittedly a modest first step, saving families approximately $15 dollars per child. But in time, and as revenues permit, we hope to increase the amount of the expense deduction and do more to help offset the cost of registering children in organized sport and recreation programs. This will come into effect on July 1, 2005.

This investment is over and above the dollars referred to earlier through the Department of Education and Office of Health Promotion and brings the total investment to promote good health and/or prevent disease and injury to $ 8.1 million.

The total operating dollars available across government to provide better health-care services or to enhance health promotion and prevent disease and injury amounts to over $2.6 billion.

**More Help for Seniors, for People with Disabilities, for Low-Income Nova Scotians**

Mr. Speaker, there is no denying that many parents are struggling with the cost of raising their families, many seniors struggling with the cost of maintaining their homes, many Nova Scotians with disabilities struggling to participate more fully in the lives of their communities.

That is why we have been doing everything we reasonably can to help those who are struggling to make ends meet or to make life better for themselves and their families.

That is why one of the first things we did as a government was lift the grandfather clause on our Senior's Property Tax Rebate Program, which provides seniors who receive the guaranteed income supplement with up to $400 to put toward their municipal property taxes.

It's why we froze Seniors' Pharmacare premiums at last year's level.

It's why, this past December, we increased the budget for seniors' home repairs by $1.1 million and increased the funding to upgrade seniors' housing units by $1 million.

It's also why we announced a home-heating fuel rebate program, capped property assessments, and took the steps to lower auto insurance premiums, saving consumers approximately $50 million.

And, Mr. Speaker, it's why we ended the National Child Tax Benefit clawback, introduced Nova Scotia's first Back-to-School Supply Program, launched Nova Scotia's highly successful School of Adult Learning, and significantly enhanced programs that help social assistance clients move from welfare to work, including adding more portable, subsidized day-care spaces and increasing the amount of the subsidy.

Mr. Speaker, we also increased funding to support a wide range of programs and services to support Nova Scotians with disabilities.

We recently provided an additional $2 million in capital grants to expand and/or repair Nova Scotia's sheltered workshops.

As well, and as noted earlier, we tripled the funding to support children with autism and introduced Nova Scotia's first wheelchair recycling program.

Over the past five years we also spent $1.4 million to make our buildings more accessible and $1.6 million to improve accessible transportation.

Mr. Speaker, once again, we will invest $250,000 to ensure that Nova Scotians with disabilities have access to their local church, community centre, legion, or library.

We will also increase our support for accessible transportation services by increasing the subsidy currently provided to non­profit operators providing accessible transportation from $1.41 to $1.60 per capita. This brings the total amount we will invest this year to improve transportation for Nova Scotians with disabilities to $550,000.

Over the course of this year, we will also continue our efforts to make life better for seniors and low-income Nova Scotians.

I have already stated that we will invest an additional $17 million to hold the Seniors' Pharmacare premium at last year's level, increase the personal care hours for home care clients, provide more assistance to repair seniors' homes, and increase access to continuing care.

In addition to this, effective January, 2006, the personal use allowance for seniors in long-term care who are currently receiving $105 per month will keep $115. And, in keeping with the changes we made when we moved from an asset- to an income-based calculation of a senior's contribution, seniors can now accumulate this money and use it for the purposes they wish, without any restrictions.

I am also pleased to announce that the budget for the Nova Scotia Senior Citizens' Secretariat will increase by $207,000. The additional dollars we are providing to the secretariat will be used to advance a strategy to prevent elder abuse and to carry out the important work of the Task Force on Aging, which has already held 34 public meetings, consulted more than 1,000 Nova Scotians, and received well over 100 written submissions on how government, in co-operation with all of its partners, can better utilize the skills of today's seniors and better prepare for the needs of our seniors in future.

Mr. Speaker, last year the Department of Community Services committed an additional $1 million to expand supports for adults in care. Another $1 million will be added this year. The total budget to support adults in care in fiscal 2005-06 is $162.2 million, a 33.6 per cent increase over the past five years.

Additionally, the monthly Personal Use Allowance for adults in care will also increase, from $105 to $115, effective January, 2006.

We are also increasing the Shelter Allowance for single income-assistance recipients who are either renting or boarding. The monthly allowance for renters will increase by $50, while boarders will see an additional $25 per month.

As well, on October 1, 2005, and for the second year in a row, we will increase the personal allowance budget for all social assistance clients for a two-year increase total of $4.6 million.

Meeting the housing needs of our seniors and families of modest means is also a priority of this government.

To date, more than $19 million has been announced by the provincial and federal governments for the construction or renovation of more than 400 units in the province, since the Canada-Nova Scotia Affordable Housing Agreement was signed in September of 2002.

Additional units, such as the 66 units announced for Northwood and the recently announced seniors' housing project in St. Andrews, Antigonish County, will soon come on stream.

It is estimated that by 2008 the Canada-Nova Scotia Affordable Housing Agreement will have spent more than $56 million to support the housing needs of seniors and low-income families.

Mr. Speaker, Nova Scotia welcomed the recent announcement by the Government of Canada to significantly increase its contribution to early childhood development.

Just as we have in the past, we will use every dollar resulting from our agreement with Ottawa to maximize the benefits to parents and their children.

And, just as we have in the past, we will broadly consult with all of the stakeholders who share our desire to make the most effective use of every dollar available to support the interests of Nova Scotia's children.

We anticipate that the combined new federal and provincial dollars available to support the early learning and lasting success of children aged six and under, will almost double this year.

Mr. Speaker, in addition to the $22-million increase the Department of Community Services is receiving this year, the Department of Justice will also invest more to help low-income Nova Scotians.

Funding for Legal Aid will increase by $1.4 million. As well, funding for maintenance enforcement will increase by $309,000, and grants to transition houses and men's treatment programs by $250,000.

Mr. Speaker, admittedly, the dollars we are investing this year to support Nova Scotians in need won't make life perfect for everyone. But they should go a long way toward making life a little easier for many of our seniors, for many Nova Scotians with disabilities, and for many families of modest means.

But, as we all know, Mr, Speaker, this could all disappear in an instant without a steady hand on the wheel and a solid plan to grow our economy.

**Planning and Delivering a Stronger Economy**

Mr. Speaker, there are a wide range of factors that go into supporting a growing economy: fiscal stability; a competitive tax and regulatory environment; support for research and development; a strong, integrated transportation network; a quality education system; and of course, quality of life.

And there's something else that contributes to a growing economy, solid planning.

When we came to office in 1999 there was no focused plan to generate new investment or create new jobs. There was no energy plan, no debt-reduction plan, no immigration plan. There was no plan to revitalize our public school or community college systems, no plan to create a culture of healthy living.

So we got to work, knowing we had a lot to accomplish in a very short time.

Today, after broadly consulting Nova Scotians from one end of the province to the other, we have plans for all of the above, and Mr. Speaker, they are working.

Over 38,000 new jobs have been created-more than 10,000 in the past year alone. And, as I have already noted, our fiscal health continues to improve.

But more needs to be done to build on our progress.

That is why we are investing an additional $30 million to build or repair our roads this year, bringing the total capital budget for highway spending to $142 million. And next year's capital budget will either meet or exceed that amount.

It is important to note that every cent and more of the motive fuel tax we collect is spent maintaining and improving our roads, replacing our bridges, or making our highways safer.

Our rail connections are also vitally important to our economy. And that is why we are providing an additional $1.5 million to ensure that Cape Breton's only commercial rail link to the mainland remains in operation until at least 2009. This investment will provide potential investors with the added assurance that they can locate in Cape Breton and get their products to market.

Mr. Speaker, Nova Scotia's offshore has provided a significant boost to Nova Scotia's economy in recent years. In order to ensure that Nova Scotia does not lose out on any opportunities for future development, the Department of Energy will step up our efforts to assess the potential of new offshore development and aggressively share its findings with the oil and gas sector.

Mr. Speaker, Nova Scotia's small and medium-size businesses continue to generate the majority of new jobs that are being created across our province. In order for them to create even more, we are making a number of important investments, including providing an additional $500,000 to help them access new export markets and increasing the funding to our Supplier Development Program by $250,000. This program makes Nova Scotia businesses aware of the wide range of opportunities for selling their goods or services to government and supports our goal to do more to stimulate business growth and job creation within our province.

We are also investing another $5 million in Nova Scotia's Research and Innovation Trust Fund. Since its inception in March 2001, this fund, which is administered by our universities, has helped leverage over $55 million in new research dollars, dollars that are being used to turn good ideas into commercial success stories.

There is no denying that Nova Scotia's tax and regulatory environment also plays an important role in business growth and job creation.

For over 10 years the province and the Union of Nova Scotia Municipalities have been working on a way to eliminate the Business Occupancy Assessment Tax. This tax sends the wrong message to potential investors and is an outdated, awkward, and inefficient method of collecting commercial taxes, resulting in significant lost revenues to the municipalities. I am pleased to say, that after many attempts to find a fair and balanced way to end this double tax, we have agreed on an approach that will address the concerns of small business, while at the same time protecting the interests of residential taxpayers and municipalities. Legislation to eliminate the Business Occupancy Assessment Tax will be introduced this session.

This is just one example of our efforts to reduce red tape and to send a positive message to investors.

Here is another.

We will shortly establish a new approach to address regulatory duplication across and between governments. The Department of Environment and Labour will receive an additional $500,000 to establish a new Competitiveness and Compliance office to examine and implement best practices for making it easier for businesses and individual Nova Scotians to deal with government.

This initiative, along with our recent agreement with the Government of Canada to expedite the regulatory process for dealing with offshore gas proposals, and along with the considerable progress already made through the Red Tape Reduction Task Force, speaks to our efforts to make Nova Scotia the most business-friendly environment in Canada.

Mr. Speaker, for three years in a row we have increased the small business tax threshold, saving qualifying businesses as much as $12 million. Effective April 1, 2005, we will once again increase the threshold, from $300,000 to $350,000, saving Nova Scotia's small businesses an additional $1.25 million this year. On April 1, 2006, the threshold will increase again to $400,000.

Effective July 1st of this year, the large corporation tax will be reduced from 0.3 per cent to 0.275 per cent, at a cost of $4.5 million. And over each of the next three years it will be reduced by another 0.025 per cent annually, reducing it to 0.2 per cent.

Mr. Speaker, our plans to further grow the economy are not limited to our infrastructure investments, our education investments, our investments in research and development. They are not limited to our small business program enhancements, our red tape reduction efforts, or the tax measures I just referenced.

We know that our future economic success depends to a great extent on encouraging more people to come and stay in Nova Scotia. That is why we recently announced a strategy to promote Nova Scotia as the best place to live, work, and raise a family. To further these efforts we will provide the newly established Office of Immigration with an annual budget of $2.6 million.

And we will make an additional $2.5 million available to support our Come to Life brand initiative. Mr. Speaker, branding is not simply coming up with a song, slogan, or logo. It's about a lot more than that. It's about changing and shaping misguided attitudes. And it's about making sure that when people the world over hear the words "Nova Scotia" they have an immediate and positive reaction.

We have a great story to tell, Mr. Speaker, and we are going to tell it. We're going to aggressively sell Nova Scotia and all it has to offer, whenever and wherever we can.

Among other things, we're going to tell them that Nova Scotia is home to many of the world's leading companies and has some of the finest research institutes and universities found anywhere in Canada and beyond.

We're going to tell them that we have the best-educated workforce in the country and are one of the hottest film destinations in North America.

We're going to tell them that Nova Scotians are smart, innovative, and generous.

And we're going to tell them that Nova Scotia's quality of life offers them a rare commodity-balance.

Mr. Speaker, I am confident that, over time, those who have wrongly branded our Brand Initiative will see the value of our investment.

Here are some other notable investments we are making to grow our economy and to support our efforts to demonstrate that Nova Scotia is a great place, not just to come and visit for a while, but a great place to come and stay forever.

To support our cultural industries we will match the dollars we provided last year to launch Nova Scotia's first Music Strategy, increase funding to our network of community museums, and as previously announced, provide an additional $600,000 to the Nova Scotia Film Development Corporation. In addition, the film tax credit will increase from 30 to 35 per cent in urban areas and from 35 to 40 per cent in rural Nova Scotia.

As well, in consultation with the Nova Scotia Federation of Heritage, we will develop a new strategy to preserve Nova Scotia's rich heritage.

To further protect our environment, we will provide the Energy Department with an additional $1.2 million to advance new climate change initiatives and to fund a new Energy Efficient Housing Program.

Natural Resources will see an increase of $750,000 to further protect Nova Scotia's Crown land base, and another $800,000 to establish an Integrated Enforcement Task Force, exclusively dedicated to the enforcement of off-highway vehicle compliance. As well, the Public Prosecution Service will be given additional dollars for a dedicated crown attorney to handle occupational health and safety and environmental offences.

An additional $500,000 will also be provided to the Department of Agriculture and Fisheries to help reverse Nova Scotia's declining recreational salmon fishery and another $250,000 to establish a new Commercialization Centre designed to develop new agri-food, seafood and bioresource materials.

As well, as was demonstrated with the purchase of Cape Split, the designation of Eigg Mountain and Gully Lake as protected places, and the agreement recently signed between the Province of Nova Scotia and the Nova Scotia Nature Trust, we will continue to work to safeguard Nova Scotia's protected places and species at risk.

To ensure that Nova Scotia communities continue to be safe places to live, work, and raise families, the Department of Justice has budgeted $1 million to bring the province's municipal police forces into a national, intelligence-based policing system. Funding for this important initiative will increase to $1.7 million in each of the next three years for a total four year investment of $6.1 million.

Mr. Speaker, I know I have challenged the patience of some members, so let me quickly recite a number of the other initiatives and investments we are making to support stronger communities and a stronger economy.

We will also continue to assist municipalities across the province with the cost of providing their residents with safe drinking water, better sewage systems, and new roads. In addition to the current $195 million Canada-Nova Scotia Municipal Infrastructure Program, it is our intention to enter into a new $111 million Municipal-Rural Infrastructure Agreement with Ottawa. The Province is prepared to contribute $ 37 million toward this new fund over the next six years.

As well, we will invest an additional $200,000 to advance our strategy to promote community development and an additional $350,000 in core funding to Regional Development Authorities across the province.

In addition, we will increase the provincial grant in lieu of taxes for university residences from 40 per cent to 50 per cent, providing eligible municipalities with an additional $250,000 to support the needs of their residents.

**Protecting Your Tax Dollars**

Finally, Mr. Speaker, let me sum up with a note to taxpayers. As we have throughout our mandate, we will continue to work hard to be open and transparent and to manage their tax dollars carefully and wisely.

The Auditor General's Office will receive an additional $146,000 this year, exclusive of salary adjustments, in order to ensure independent scrutiny is more fully brought to bear on how government manages taxpayers' money.

The Department of Finance will also receive $375,000 more to increase its auditing and risk management capacity; while Service Nova Scotia and Municipal Relations will receive $125,000 more to enhance internal controls, and an additional $125,000 for consumer protection and compliance.

As well, the Public Service Commission will receive an additional $2 million to advance an aggressive Human Resource Strategy designed to help the province recruit and retain talented people who can further the interests of the province and provide top-quality service to Nova Scotians.

As part of this strategy, we will increase funding for Career Starts and more aggressively promote diversity throughout the public service.

All told, Mr. Speaker, this budget should further assure Nova Scotia taxpayers that their government is managing their tax dollars carefully and always with a view to building a better Nova Scotia tomorrow.

**Conclusion**

Colleagues, this is a big day for all of us; but for most Nova Scotians it's just like any other day.

But when they get dressed for work tomorrow, they should feel better knowing their government is investing in better roads for them to drive on and a stronger economy they can count on.

When they get their kids up and ready for school, they can feel better knowing their government is investing in a healthier future and a better education for their children.

When they go off to visit an aging parent, they can feel better knowing their government is investing in better health care, more affordable housing, and new programs to help seniors live longer, more comfortably, at home.

And all Nova Scotians should feel better knowing the province's fiscal, social, and economic health continues to steadily improve.

Mr. Speaker, this isn't just the right budget for today but the best budget for building a better Nova Scotia tomorrow.

Thank you.