



# A New Nova Scotia ... A Path to 2020

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

This budget is focused firmly on the future.

It is a budget that advances our progress towards a *new* Nova Scotia—and the path to 2020.

Our vision is clear—and one that will ensure that Nova Scotia is the best place in which to live, invest, raise a family, and do business.

We **will** seize today's opportunities without compromising tomorrow.

We will work together for a strong, competitive economy and a healthy environment, and we will foster vibrant, thriving communities.

This budget keeps the priorities of Nova Scotians in mind and our fiscal health in order. It is a budget that helps us to achieve our goals over the long term.

And, it is one that supports our five immediate priorities in the short term.

- We **will** protect the environment.
- We **will** reduce wait times.
- We **will** create safer, healthier communities.



---

*Prudent spending choices*

- We **will** educate our students to compete ... and succeed.
- We **will** develop better roads and improve our infrastructure.

We **will** do so within our means.

Our spending choices are strategic. They are prudent ... and they are good for Nova Scotians.

Mr. Speaker, this budget does not raise income or sales taxes.

It protects the programs and services that are important to Nova Scotians.

And it includes spending choices that will secure our future—and not compromise it.

Mr. Speaker, this year we gave Nova Scotians the opportunity to give us their views on the budget.

More than 1,200 individuals did so. Their input is very much appreciated.

They told us they want investments in infrastructure, education, health care, and the environment.

They also told us they want a balanced budget.

And they want our debt reduced.

Mr. Speaker, we have listened. We're taking action.



## The Year in Review

We have enjoyed some positive economic results during the past year.

- Our gross domestic product grew by 1.7 per cent.
- Corporate profits were up by 4.6 per cent, before taxes.
- Consumer spending grew by 4.2 per cent.
- Retail sales grew by about 4 per cent.
- Employment grew by 1.3 per cent.
- Personal income grew by 3.5 per cent.

Along with a growing economy, our responsible fiscal management is creating opportunities for Nova Scotia.

We are forecasting a surplus of \$158.5 million ... all of which will go on the debt. Our net direct debt will decrease by \$9.2 million.

Since 1999, Nova Scotia's total revenues have grown by almost 55 per cent, from \$5 to \$8 billion—or about 5 per cent annually.

Our budget was just under \$8 billion last year, up about \$500 million over the previous one.

Of this money, about \$7 billion was spent on programs and services for Nova Scotians, including just over \$3 billion (or about 43 per cent of our budget) for health care, with \$1.4 billion going to education and \$868 million to Community Services. Just over 11 per cent ... or \$930 million went to service the debt.



## *The Accord and Crown Share*

Mr. Speaker, under the leadership of our Premier and the Prime Minister, we reached a successful conclusion to two outstanding issues with Ottawa.

Our successful negotiations regarding the Atlantic Accord mean a more secure future for the province. It means that Nova Scotians will be the principal beneficiaries of our offshore resources. It means that Nova Scotia can reach its potential as a strong contributor to the Canadian economy.

We also settled a long-standing dispute on the Crown Share. A three-person panel is expected to rule on this issue shortly—resolving a dispute that has lasted more than 20 years.

We have already outlined where any funds attributed to the 2007–2008 year, or before, will be invested. At least 70 per cent of that amount will go to our debt.

The remaining 30 per cent—to a maximum of \$75 million—will be distributed to three important priorities.

We have set up trusts to help us purchase protected lands, improve university infrastructure, and provided grants to two offshore energy research associations to fund geoscience and marine research.

Today, we are announcing our plans for any funds attributed to the Crown Share for the 2008–2009 year ... and beyond.

Mr. Speaker, I am pleased to advise that every cent of these funds will be applied to our debt.

We are making this commitment today ... for a secure tomorrow.



## A Look Ahead

While the economic strengths of the past year will continue, so too will the challenges. The slowing U.S. and Canadian economies will naturally affect us here at home, Mr. Speaker.

Nova Scotia is forecast to experience real growth of 1.7 per cent in 2008. In Canada, real GDP growth is expected to slow to 1.9 per cent in 2008.

Fortunately, offshore energy exploration from EnCana's Deep Panuke project will provide a major economic boost. Other major capital investments, such as the Gays River gold mine and technology upgrades by many of our global communication partners are expected to result in an increase of 24 per cent in non-residential capital investment.

Nova Scotian exports will face challenges from the U.S. slowdown, exchange rates and pressures from rising energy and wage costs. Demographic trends show a decline in Nova Scotia's population levels. When coupled with the western draw, this poses a challenge for our available workforce.

Total revenues—including Government Business Enterprises—are estimated to grow by 5.6 per cent over last year's estimate. Provincial own-source revenues are rising—mostly as a result of income tax, HST revenues, and our offshore petroleum revenues. We expect total expenses to increase by 4.95 per cent.

In the face of these uncertain economic times, it is rewarding to see our fiscal plan working.



---

*A secure future*

## Debt Management Plan

Mr. Speaker, our debt reduction plan is on target.

In 2000, we put in place a law that requires our budget to be balanced. And we have now done so for **seven** years running.

We have also been prudent in the financial choices we have made.

Past surplus funds have gone to paying down the debt. Strategic investments have been made in growing the economy. The results are impressive.

This year, our forecasted surplus of **\$189.7 million**—will go to the debt.

This disciplined approach to debt management is producing results.

Our debt-servicing costs have dropped significantly. In 1999—18 cents out of every dollar went to servicing the debt. Today, it is **11.2 cents**. This coming year it will be **down to 10.7 cents**.

This means more funds for the programs and services Nova Scotians use every day.

There is still work to do, Mr. Speaker. Our debt load is still too high. We **must** be diligent in our debt management plan and can never lose sight of our long-term goal.

We are making significant progress.

Since 1999, Nova Scotia's net direct debt—as a percentage of our gross domestic product—has declined from **48.7 per cent to 36.6 per cent**. A **12-point** drop and a major accomplishment, Mr. Speaker.



Together, we have dramatically improved the amount of our debt relative to both our GDP and the proportion of our budget that services that debt.

We can and **will** do more.

The debt management plan is vitally important to our future. The choices we are making today will have an impact on Nova Scotians for generations.

That's why our path to 2020 has solid fiscal planning and sound financial management at its core.

## Tax Measures

Mr. Speaker, we know that a competitive tax system is vital to attracting investment.

That is why we are continuing with a number of initiatives that will ease the tax burden faced by Nova Scotians—at a pace we can afford.

These measures will help to make this province the best place in which to live, raise a family, and do business.

### Basic Personal Amount and Credits

For the second consecutive year, the basic amount exempted from personal income tax will increase by \$250—to a total of \$7,731 for 2008. By 2010, the basic personal exemption will increase by \$1,000 over 2006 amounts.

Additional credits will also be increased in line with the basic personal exemption—including the spousal, dependent, pension, disability, and caregiver amounts. Mr. Speaker, this will mean an additional **\$32.3 million** in the hands of Nova Scotians in this coming taxation year.

---

*Improvements in efficiency  
and competitiveness*



## **Graduate Tax Credit**

We also want students to stay and work here in Nova Scotia after they graduate. In fact, we know about 70 per cent of our graduates do exactly that. It's part of what makes us such an attractive place to do business. That's why we doubled the graduate tax credit to \$2,000, for a total of **\$14.3 million** in tax relief this year for young Nova Scotians.

## **Volunteer Firefighters Tax Credits**

Mr. Speaker, we owe a debt of gratitude to the volunteer firefighters who serve our communities so selflessly every day. This year, the volunteer firefighters tax credit is being increased to \$375 for 2008—up from \$250 last year.

We also recognize the contribution of ground search and rescue organizations. That is why I am pleased to extend this tax credit to members of ground search and rescue teams across Nova Scotia.

They too will enjoy a \$375 tax credit for this year—and a \$500 credit for 2009. Mr. Speaker, the extension of this credit will provide about \$600,000 in benefits this year, and will return a total of \$3.9 million in taxes to these brave men and women in 2008.

## **Transit Tax Credit**

Starting in 2009, we will introduce a Transit Tax Credit. This credit will provide \$1.5 million to encourage Nova Scotians to use our public transit services.

## **Seniors Property Rebate**

To help seniors remain at home and independent, we intend to enhance the Seniors Property Tax Rebate Program. In the next fiscal year, we will double the cap from \$400 to \$800.



## Large Corporations Tax

We continue to reduce the large corporations capital tax, which will be completely eliminated by 2012.

## Gas Tax Rebate

We are also extending the gas tax rebate to include all vehicles used by volunteer fire departments. Mr. Speaker, previously this tax was extended only to pumper trucks. Effective immediately, the rebate will now apply to all volunteer fire vehicles—as well as water craft.

We will also extend the gas tax rebate to the Community Transportation Assistance Program. This vital transportation link ensures that seniors, persons with disabilities, and low-income earners are able to enjoy their independence and stay connected with their communities.

## Medical Tax Credits

Mr. Speaker, we will amend our *Income Tax Act* to extend medical tax credits to include expenditures for alternative medical practitioners like naturopaths, effective January 2008.

## Healthy Living Tax Credit

Mr. Speaker, to encourage Nova Scotians to be more physically active, the healthy living tax credit will be extended to **all** Nova Scotians in January of 2009. This credit—currently for expenses for children enrolled in sports—returned about **\$3.3 million** to taxpayers last year, and is expected to put **\$8.6 million** back into the hands of Nova Scotians when fully implemented.

## A Flourishing Film Industry

Nova Scotia is Canada's fourth-largest film producer. Our experienced crews, magnificent locations, and top-notch producers are major attractions for potential filmmakers. We also



offer one of the most competitive tax credits in the country—a 50 per cent credit—plus a ten per cent bonus for productions outside of the Halifax metro area. Last year, more than \$14 million was returned to the industry.

We have also enhanced the digital media tax credit to help companies develop products like video games and websites. Beginning in 2008, a 50 per cent credit—with a ten per cent regional bonus—on Nova Scotia expenditures is available. Much like the film tax credit, this initiative is designed to encourage producers to hire local workers.

We also know that marketing our potential as a film location is critical to our success. That's why we are providing an additional **\$200,000 to *Film Nova Scotia*** to market the province—its people—and our potential around the globe.

### ***Comprehensive Tax Review***

Mr. Speaker, these measures will go a long way to easing the tax burden for Nova Scotians.

We also want to take a close look at the overall tax structure and its impact on Nova Scotians.

To that end, I am announcing a review which will examine the total taxation picture. We will assess provincial taxes and fees on business and individuals. We want to determine if the current structure is fair, if it encourages investment and productivity ... and whether it's competitive. We want Nova Scotia to be the best place in Canada to do business.

This isn't about increasing taxes, Mr. Speaker. It isn't about raising more money. It is about taking a comprehensive look at the tax system we have in place to ensure that it is fair ... balanced ... and can lead us to a prosperous and thriving economy.



We will invest \$500,000 to begin this review immediately.

## Open for Business

Mr. Speaker, Nova Scotia is open for business.

Our products, services, and expertise are in demand around the globe.

Part of our story is our skilled and educated workforce. It's one of the deciding factors that brought companies like RIM and the Citco Group to our province.

The climate we're creating for business tells the other side of the story.

Our debt management, tax measures, and sound fiscal management are getting results. We're also improving our regulatory system, Mr. Speaker.

Last year, the paperwork burden on business was cut by 2.5 per cent. The paperwork burden on business is down to 600,000 hours from the 615,000 baseline. We will meet the 50 per cent target set for 2008 and will move to have all licences and permits meet the ten-day standard by 2010.

We were also the first Atlantic province to partner with the federal government on BizPal. This free, web-based service guides business owners through the regulation process at all levels of government. This service is now available in Halifax and New Glasgow, with another ten municipalities scheduled to come online by 2009.

We have also been very successful in helping business create jobs.

Over the past six years, our Industrial Expansion Fund—administered through the Department of Economic

---

*Reducing regulatory burden*



---

*A thriving economy*

Development—has created or maintained about 11,000 full-time jobs in Nova Scotia. That's **a return of \$1.89 for every dollar invested**, Mr. Speaker.

This fund generated \$7.2 billion in sales, including exports, \$1.7 billion in household income, and \$213 million in provincial tax revenues. The fund directly contributed \$688 million to our gross domestic product, or about 2.4 per cent.

When combined with the efforts of Nova Scotia Business Inc., more than 22,700 jobs were created or maintained. That number rises to 39,300 when spinoff jobs are included.

The trade team at NSBI has also arranged more than 2,000 meetings and helped more than 300 clients further penetrate export markets worldwide, resulting in more than \$120 million in incremental export sales.

It's an impressive record Mr. Speaker.

And it's one we intend to build upon.

We are investing **\$1 million** to stimulate research, development, and innovation within small and medium-sized business. We know that one size does not fit all, that each business has unique needs as they adapt to a changing and global marketplace. That's why our responsive tool kit is designed to recognize individual needs while helping to increase productivity through innovation.

We will invest **\$400,000** to continue to help small business grow and prosper. Our Business Development Program will offer help with everything from training to market research.

We are also adding **\$1.5 million** to the operating budget of NSBI

- \$582,000 will go to regional growth initiatives



- \$200,000 to investment attraction
- \$218,000 to trade development, and
- \$500,000 to fund a labour strategist and several other infrastructure initiatives

We are also pleased to provide **\$250,000**—for the Mi'kmaq Community Development Fund. This fund is a driver for new initiatives that will expand economic opportunities, support new partnerships, and build innovative capacity throughout the province.

We also know how important research is to a thriving economy, Mr. Speaker.

That's why we established the Nova Scotia Research and Innovation Trust. Last year, the province contributed **\$8.9 million** to support research and innovation. To date, the NSRIT has provided \$40 million to about 200 research projects ... worth \$150 million. More importantly, Mr. Speaker, these funds are fostering a culture of excellence—and are putting Nova Scotia on the leading edge through agencies like the Brain Repair Centre.

We know that our province has been built on our traditional industries. Our path to 2020 recognizes the importance of these industries today ... and in the future.

To assist industries and companies in transition, we will invest **\$34.9 million** over three years from the new federal Community Development Trust Fund.

From this, **\$750,000** will go to the Agriculture Industry Vitalization Strategy—with **\$250,000** slated for the beef industry. A **\$4.4-million** investment will support the forestry transition program.

---

*A culture of excellence*



---

*Supporting our own*

Mr. Speaker, we will also use this fund—in concert with existing provincial investments—to help communities in adjusting to major changes in the manufacturing sector.

Over the next four years, the province will invest an additional **\$3 million** in the agricultural sector.

We know the importance of supporting our own people and communities, Mr. Speaker.

We will invest **\$350,000** to our “*Select Nova Scotia*” campaign to promote the benefits of local products ... and to increase opportunities for agriculture growth and development. Our original investment is getting results. Consumer awareness around local products is up, and more Nova Scotians regard locally produced products as much better than imports.

Nova Scotia’s wine industry is growing. Quite literally, Mr. Speaker.

This industry has enjoyed a **300 per cent growth** in production since 2000. We anticipate a doubling of farm and cottage wineries by 2010. Annual sales total **\$7.2 million** with 277 acres in production. Along with the federal government, we will provide **\$3.8 million** over four years to help fruit and grape industries grow and adapt to changing markets.

### **Loans to Licences**

Access to capital is important for any business, and that’s particularly true for the fishing industry. Unfortunately, a lack of access to capital is restricting succession in the industry. We want to change that.

We will establish a direct loan program that will help finance fishing licences for first-time entrants and new species for existing licence holders.



## Attracting More Offshore Investment.

Mr. Speaker, Nova Scotia has more than 46 trillion cubic feet of natural gas potential both on and offshore.

We're streamlining regulations, and conducting valuable research that will help potential investors better understand our unique geography. To further market the tremendous potential of our petroleum resources, we will invest an additional **\$250,000**.

## Educating to Compete

Mr. Speaker, a skilled and educated workforce is a magnet for business.

That's why we're taking steps to make education more accessible.

The Minister of Education recently outlined two major initiatives which will reduce the cost of obtaining a university education in Nova Scotia.

We will invest **\$180 million** to freeze tuition over the next three years.

In addition, a **\$66-million Nova Scotia University Student Bursary Trust** has been established. The trust will provide a maximum per-student benefit of \$761 next year, \$1,022 in 2009–10, and \$1,283 in 2010–11 for Nova Scotians.

Out-of-province students will benefit from a \$261 bursary in 2010–11 as well as the tuition freeze.

These measures will bring the cost of education for Nova Scotians **to the national average by 2010**.

---

*Accessible education*



We are also providing debt relief to students, Mr. Speaker.

Beginning August 1<sup>st</sup>, students will have access to the second-lowest loan rate in the country—thanks to our direct lend initiative. Students will save several hundred dollars over the life of their loans—and will benefit from a 2 per cent cut in interest rates.

We are also investing even more to make education more accessible, Mr. Speaker.

Through our consultations on the Nova Scotia Student Assistance Program, we heard that non-repayable grants are the most effective way to promote access.

We listened. We're acting.

Beginning this September, the first 20 per cent of a Nova Scotia student loan will be a non-repayable grant. The grant will average about **\$775** annually, to a maximum of **\$1,560**. Students will automatically qualify for this grant when they apply for a Nova Scotia student loan.

Additionally, students with dependent children will be eligible to receive up to **\$1,040** more in non-repayable assistance. We expect about 800 students will benefit.

As well, the costs for students studying medicine, dentistry, and law exceed available student assistance. To address this, additional loans of up to \$5,655, or \$140 for each week of study, will now be available.

We will continue to expand the Nova Scotia Community College while keeping tuitions at affordable levels. We will complete our five-year growth plan—adding an additional 470 seats to the college—bringing capacity to 10,400, and our total funding commitment for this year to **\$114 million**.

We will also invest **\$250,000** in our Research and Development co-operative employment program through the Department of Economic Development. This program targets students with science, engineering, and business backgrounds and links them with employers to fit their skills and further their opportunities in research and development.

### ***Learning for Life***

Mr. Speaker, the foundation our children receive in the early school years is vital to their healthy growth and development.

Mr. Speaker, research tells us that early learning experiences improve outcomes later in life. To give more children the opportunity to benefit from an earlier start in school, we will invest **\$4.6 million** to align the age of entry for grade primary with the majority of Canadian jurisdictions.

In September 2008—children who will be five by December 31<sup>st</sup> will be eligible to enter primary. In fulfilling this commitment, we are giving parents the option to choose what's best for their child.

To promote healthy, active lifestyles for students, we will invest **\$500,000** to make physical education a mandatory high school credit.

An additional **\$2.2 million** will expand our highly successful *Options and Opportunities* program. This program is building a strong and educated workforce by providing hands-on, meaningful experience to students—with work-ready skills and a plan for the future.

We are also pleased to expand our class size initiative to grade 4. Beginning this September, Mr. Speaker, class sizes will be capped at 28 students—to ensure that students have more time to learn, and teachers more time to teach.



Mr. Speaker, since we first implemented *Learning for Life: Brighter Futures Together* in 2005, we have invested **\$49 million** to support our students. This year, an additional **\$4.3 million** will be invested to further the goals of this important initiative.

In recognition of the valued and important contribution that public libraries make to lifelong learning, our annual grant to libraries will be increased by **\$500,000**.

We will continue to raise the bar, Mr. Speaker.

On our path to 2020, every student will have the opportunity to excel ... to realize their full potential ... and to succeed.

## Safer, Healthy Communities

Mr. Speaker, we are grateful for the work of Commissioner Merlin Nunn, and for his insightful recommendations on dealing with youth at risk. The potential these young people have to offer must not be lost. We must take steps **now** to intervene.

To further implement the recommendations of the Nunn report, an additional **\$830,000** will target high-risk youth, and will allow us to hire more youth court workers, expand our youth attendance centre, and fund a unique program that will help children under 12 who are at risk.

As well, we are investing an additional **\$1.2 million** to expand projects targeted at prevention and intervention. Four regional specialists will work with the community to determine best use of these dollars for the maximum benefit of young people.

---

*Our Kids Are Worth It*



## Safer Streets

Mr. Speaker, our crime prevention strategy is working.

The 80 additional officers we put on the street last year disrupted 75 organized crime groups, laid more than 11,000 charges—and made 159 arrests. They have seized—and taken out of circulation—drugs worth an estimated **\$7 million**.

More boots on the streets means less crime in our communities, Mr. Speaker.

This year, we will add **another 70 officers**, at a cost of **\$8.2 million**. By 2010–11, we will have **250 additional new police officers** in our communities, at a cost of \$28 million.

We will also add **\$1.2 million** to improve enforcement, intervention and step up our crime prevention efforts.

Our stepped-up enforcement efforts are leading to a growing inmate population, Mr. Speaker. To help deal with the increasing number of inmates, an additional **\$1 million** will be provided to the correctional facility in Yarmouth, and **\$500,000** will go to Burnside.

The Office of the Chief Medical Examiner is critical to an effective law enforcement system. This year, we will be pleased to welcome a new Deputy Chief Medical Examiner. We are also investing **\$525,000** to begin the design of a new forensic science facility here in Halifax. This state-of-the-art teaching facility will enhance our ability to serve the legal community and will support and service an organ tissue bank.

## *Caring, Supportive Communities*

Our path to 2020 gives every Nova Scotian an opportunity to live well and contribute in a meaningful way within a province that is caring, safe, and creative.

---

*Safer streets*



That's what social prosperity is all about.

To help achieve this, we will continue to strengthen services for low-income Nova Scotians.

Our economy continues to improve and that means government can provide support so more people can become self-reliant.

We know there is still work to do. We look forward to the recommendations our Poverty Reduction Working Group will bring forward in June.

We are also taking steps, now, to help those in need.

In each of the last four years, income assistance rates have been increased. This year, an additional **\$768,000** will be spent to increase rates effective October of this year.

Also this year, we will spend **\$19 million** to provide affordable, quality child care. Of this, **\$6 million** will create 250 new spaces so parents can go to work with their minds at ease.

Our **\$31.7-million** investment in Family Pharmacare will make prescription drugs affordable for as many as 180,000 Nova Scotians who have had no drug coverage in the past.

This universal program—the first in the Maritimes—has many benefits, Mr. Speaker. It protects individuals and families from the high cost of drugs. It's also good for business. The program will help to keep Nova Scotians in the workforce and available to small business operators who do not currently supply drug coverage for their employees.

This year, the **\$178-million** Seniors Pharmacare program will protect more seniors against the rising cost of prescription drugs.



Mr. Speaker, with an aging population, and the rising costs of drugs, we know these costs **will** rise. That's why we are committed to funding 75 per cent of drug costs for seniors, so they may stay healthy and better manage illness.

We are also spending **\$21.6 million** in providing affordable housing for Nova Scotians.

Our Residential Energy Affordability Program will help retrofit another 200 homes at a cost of \$1.6 million, while \$2.7 million will be spent on our Provincial Home Emergency Repair Program.

As well, we are providing \$300,000 to community-based service agencies funded by the Department of Community Services. The additional funds will help these organizations provide services, maintain and enhance operations.

### ***Your Energy Rebate***

Mr. Speaker, in 2006, we introduced a program to help Nova Scotians with the rising cost of home heat.

All Nova Scotians—regardless of income—received an 8 per cent rebate on their total home energy costs.

It is a good program, Mr. Speaker.

It is also one that cost the taxpayers of Nova Scotia \$75 million last year.

Today, I am announcing changes to Your Energy Rebate—to ensure this program continues to benefit Nova Scotians—at a level taxpayers can afford.

The eight per cent rebate on home heating costs will continue.



Rebates for home heating fuel sources will not change, and will be delivered in the same way for oil; natural gas; propane; kerosene; firewood; wood pellets and coal.

We are fine-tuning the program to exclude non-heating electricity costs. The rebate for those heating with electricity will be applied on use over 27.4 daily kilowatt hours—the amount used in a typical Nova Scotian home for non-heating purposes.

This change ensures that the rebate goes to provide relief on the electricity used to heat homes—which was the primary intent of the program.

In order to give utilities the time to adjust to this change, and to ensure that there is minimal impact on those heating with electricity, we will temporarily suspend the program for *electricity* from May 15 to August 31<sup>st</sup>.

We will still provide home heating relief for **300,000 Nova Scotian households**, and we will save taxpayers about **\$28 million** annually.

The change ensures that we are providing the benefits Nova Scotians need—at a price they can afford.

Even with this generous rebate, we know some Nova Scotians still struggle with the costs of home heat.

That's why we're taking even **more** steps to help low-income Nova Scotians with the creation of the **Heating Assistance Rebate Program**.

Single Nova Scotians earning \$15,000 or less, and families with a combined income of \$25,000 or less will receive an allowance of **\$200** if they are heating with oil, propane or natural gas. For those using electricity, wood, coal, or pellets, a rebate of **\$150** will be provided.



Seniors receiving the guaranteed income supplement will automatically be eligible for this rebate, Mr. Speaker.

Those earning up to \$2,000 more in each income category will still receive a rebate, which will be reduced by \$25 for each additional \$500 in income.

This \$10-million investment will help more than **50,000** households keep warm this winter.

We're not stopping there, Mr. Speaker.

We intend to do **more** for those who need us most.

Last year, we contributed **\$200,000** to the Salvation Army to help them provide home heating oil for those struggling with the rising cost of oil—which has spiked by 30 per cent in the past year.

This donation led to an additional **\$115,000** and 35,000 litres of home heating oil from our private-sector partners—to whom we are most grateful.

This year, we will **double** our contribution—and will provide **\$400,000** to the Salvation Army.

We encourage our private-sector partners to again contribute what they feel is appropriate.

We are taking these steps—Mr. Speaker—because we will **not** allow anyone to be left behind.

---

*Helping those in need*



## Reducing Wait Times

Mr. Speaker, timely access to health care is critical. That's why we're addressing wait times on a number of fronts.

We will invest **\$3.96 million** in a Selfcare/Telecare service. Patients will talk to nurses who can provide needed information and direct them to the appropriate place for service. In so doing, emergency room visits will be reduced.

We are well on our way to our goal of a wait-time guarantee of eight weeks for patients needing radiation therapy with the help of Health Canada's **\$33 million**. Two pilot projects are underway to improve access to diagnostic imaging and orthopedic services for patients.

Additionally, we will establish a clinic where orthopedic patients can be assessed much faster and therefore receive faster treatment. A similar project in Alberta reduced wait times from months to just weeks. We're confident that Nova Scotians will see significantly shorter waits as a result of this project as well.

By realigning **\$1 million** in our current orthopedic budget, **500 more** patients will be treated through our demonstration project with Capital Health and Scotia Surgery.

As well, capital health has just completed a one-day pilot project using operating room facilities at CFB Halifax, Stadacona to perform minor surgical procedures. The pilot went very well and a longer term arrangement is being pursued.

Over the next two years, an additional **\$10 million** will be invested in our Electronic Health Record System. This \$28-million project will create an electronic health record for all Nova Scotians—to support decision making and case management by health care professionals.



To coordinate our many activities relating to wait times, we have hired a Chief Executive, Wait Time Improvements. This dedicated position will monitor progress and improve capacity, responsiveness, and efficiency.

Mr. Speaker, Nova Scotia's aging population presents challenges for our health care system that must be addressed. That's just what our Continuing Care Strategic Framework is designed to do. Over the next ten years, we will invest over **\$262 million** addressing the health needs of seniors.

I am pleased to advise that construction has begun on **1,000 new long-term care beds** and that *all of these beds will be open and serving families by 2010.*

We are also providing expanded service for those wishing to remain at home, with a total investment of over **\$142 million** for home-care services. Of this money, **\$2.2 million** will expand access to home-care services, and **\$1.7 million** will add 400 new adult day spaces across the province.

With expanded capacity, we need additional staff.

This year, we will continue to offer financial incentives and enable education options for Continuing Care Assistants at a cost of **\$4.7 million**. Last year, more than 900 individuals were trained, with 1,000 expected to be trained this year.

Of course, we are always mindful of our need to recruit and retain medical professionals. An additional **\$851,000** will expand nursing seats at St. F.X., and Cape Breton University, as well as practical nursing seats at the Nova Scotia Community College ... bringing the total health budget for nursing seats to **\$8.1 million**.

We will also add nine new first-year residency positions at Dalhousie University with a **\$630,000** investment—bringing the total number of first-year residency positions to 110.



Mr. Speaker, several other investments are focused on prevention, and the expansion of services for patients.

We will invest **\$2.7 million** to implement a new colorectal cancer screening program with the help of Cancer Care Nova Scotia. Nova Scotia has the second-highest rate of colorectal cancer in Canada, and prevention and early detection are vital in managing this disease.

I am also pleased to advise that we will now provide funding for patients needing the drug Avastin. We wish to provide help to those Nova Scotians and their families struggling with colorectal cancer.

An additional **\$2.5 million** will be invested in our integrated stroke strategy, which is focused on prevention; improved care and better quality of life for stroke survivors.

Community-based health teams improve access to service, helping patients manage everything from chronic diseases to medications, and ensure access to other services and providers. To further improve primary health care, we're investing an additional **\$2 million**, for a total of **\$16.4 million**.

We now have a palliative care coordinator in place. This individual will work with all aspects of the system, helping to ensure that families are supported with care and compassion.

We are also committing **\$200,000** to establish the Midwifery Regulatory Council. The goal is to integrate regulated midwives as part of our inter-disciplinary primary health care teams.

We are also helping seniors to remain at home through a **\$1.8 million** investment in an expansion of our Caregivers Support Pilot Program.

We know that a healthy body includes a healthy mind.



We will expand mental health and addictions services across the province with a **\$2.8-million** investment, with particular focus on children and youth.

We are also adding **\$550,000** to allow the IWK and Capital Health to relocate mental health services to the community.

### ***Sustainable Health Care***

Mr. Speaker, we spent over \$3 billion on health care last year—or 43 per cent of our program spending. With the prospect of an aging population, we must take steps **now** to sustain the system that Nova Scotians will want—and need—in the future.

That's why we have conducted an operational review. We will find ways to increase efficiencies, enhance our use of technologies, and learn from best practices so that we more strategically use resources to maintain and improve the health of Nova Scotians.

### ***Healthy, Active Living***

Mr. Speaker, one of the best ways to cut health costs is to promote healthy, active living.

That's why we were the first province in Canada to create a Department dedicated to Health Promotion and Protection. This year, the department's budget will increase by **\$16.7 million**, helping to fulfil our commitment to double the budget over four years.

We are also providing a new investment of **\$2 million** to revitalize rinks and arenas around the province.

Last year, we announced our ten-year, \$50-million commitment to finance the construction of significant sport and recreation facilities. Through our Building Facilities and Infrastructure

---

*Rink revitalization*



Together, or B-FIT program, we are helping communities with projects like the rebuilding of the new recreational facility in Queens.

This year, we will increase funding to the B-FIT program to **\$7 million** annually—an additional **\$2-million** investment. Mr. Speaker, we are now investing **\$68 million** over ten years to promote the health and wellness of Nova Scotians.

Halifax will be the proud host of the Canada Winter Games here in Halifax in 2011. We plan to invest **\$11.1 million** to support the games, providing a sport legacy for the province and our talented athletes.

The prevention of illness through our provincial vaccination program will receive a **\$2.1-million** boost ... pun intended, Mr. Speaker ... to cover the rising costs of vaccines.

With our federal partners, we are also allocating **\$2 million** to continue our school-based immunization program—providing the HPV vaccine to girls in Grade 7.

Mr. Speaker, we are increasing services to the more than 5,000 Nova Scotians with disabilities.

We will provide an additional **\$6 million** to better meet the needs of persons with disabilities—fostering independence and increasing our capacity and infrastructure across the province.

### ***Volunteers***

We know that volunteers make great communities even better, Mr. Speaker. That's one of the reasons we're celebrating volunteers this week.



It's also the reason why we are going to make it easier to recruit and retain volunteers. This year, we will design and implement a volunteer insurance program.

## Better Roads, Infrastructure

Mr. Speaker, our path to 2020 includes a strategic, focused, and fiscally responsible plan to address our infrastructure deficit.

We currently spend over **\$400 million** annually on capital assets, but there remains a significant infrastructure deficit. That's why we are collaborating with *Partnerships BC* to evaluate ten of our most critical projects. With *Partnerships BC*, we will find the best approach for moving forward—and the best value for taxpayers dollars, Mr. Speaker.

Thanks to the federal *Building Canada Plan*, we can expect an injection of **\$411 million** for infrastructure projects over the next seven years. To help assess the projects to be cost-shared with the federal government, we are developing a long-term strategic infrastructure plan.

Also, we are **increasing** our infrastructure support to municipalities by **\$4.5 million** over last year.

Beginning this year, increases in education contributions will be capped at **\$8 million**—which will save municipalities about **\$8 million** this year. Through the 2007 Memorandum of Understanding, savings to municipalities from 2014 onward will be about **\$32 million** a year.

We intend to spend a total of **\$190 million** on highway maintenance, while **\$145 million** is earmarked for new construction. We also anticipate an investment of **\$35 million** from the federal government, Mr. Speaker.



Our commitment to pave 2,000 kilometres of roads within four years is well underway, Mr. Speaker. We have already completed 1,075 kilometres and expect another 425 kilometres to be finished this year.

We continue to develop a new trunk mobile radio system. We're investing **\$1 million** in our plan to ensure fire, police, and emergency health responders have a reliable and comprehensive communications system province-wide.

We are providing safe, healthy learning environments for students.

Over the next eight years, we will invest **\$435 million** to build and renovate schools. Since 2000, we have delivered 21 new schools, valued at **\$251 million**. We continue construction on 12 new schools and renovations to 30 more.

We are investing **\$51.7 million** in capital projects for health infrastructure in several communities around the province.

### ***Connected, Competitive***

Mr. Speaker, we intend to give Nova Scotians the tools they need to succeed.

We will invest **\$18.6 million** to ensure that **every** corner of the province has access to high-speed Internet by the end of 2009. This year, an additional **\$10.7 million** will be invested, making us one of the **most connected jurisdictions in North America—*ahead of every Canadian province and, with the exception of one, every other U.S. state.***

As a result Mr. Speaker, we're bringing a world of opportunities to our doorstep.



## ***Gateway to the World***

Our broadband project is just one example of how we are creating the winning conditions we need to succeed.

And we believe **strongly** in our ability to succeed as North America's Atlantic Gateway. To further our objective as a strategic, integrated and globally competitive transportation link, we will invest **\$80,000** to create the Gateway Council.

As well, **\$1 million** will be spent to raise awareness around the advantages of the Atlantic Gateway and maintain our excellent North American connections.

Additionally, **\$50,000** will create an Atlantic Gateway Initiative at Dalhousie's Centre for International Trade and Transportation. This course will further our objective to create a Logistics Centre of Excellence focused on engaging the academic community as well as research and development.

## ***Cultivating Culture***

A thriving cultural sector contributes to our economy in all regions of the province and is essential for healthy, vibrant communities. We're committed to doubling the \$8.2 million budget for culture over the next three years. We will invest an additional **\$1.2 million** this year, another \$2.4 million next year and an additional \$4.6 million in year three.

## ***Immigration***

Our immigration strategy is getting results, Mr. Speaker. Last year, we welcomed almost 2,600 new immigrants. Our retention rates are improving, rising from 37 per cent in 2001 to 64 per cent in 2006. We're increasing the funding for community-based settlement organizations by **\$500,000**, and we're adding **\$110,000** to further market our province.

---

*Welcoming communities*



## Protecting the Environment

We **will** have one of the cleanest, most sustainable environments by 2020.

It's the law.

In fact, we are one of only a few provinces that has set out our environmental and sustainability goals *in law*.

We are already seeing results.

Funds from the **\$42.5-million** Ecotrust fund have been provided to support tidal development, to help the Halifax Infirmary convert to natural gas, and for renewable energy projects like the Minas Basin Pulp and Power project.

We have negotiated a **\$5 million** fund for carbon capture and storage with the Government of Canada.

We are investing **\$450,000** in climate change. This will help us to meet our aggressive greenhouse gas reduction target of 10 per cent below 1990 levels by 2020.

Our climate change action plan will be completed this year ... and will focus on using less energy and more renewables—like wind and tidal power.

And, we have tremendous potential for tidal power in the Bay of Fundy.

In fact, we have the best site for tidal power generation in North America. We have committed **\$5 million** for a demonstration facility to evaluate tidal devices from around the world, which has led to an additional \$3 million investment from EnCana. We're moving forward carefully, Mr. Speaker, because we know the world's largest tides are also one of our most precious resources.

---

*Cleaner, greener  
Nova Scotia*



Mr. Speaker, our Renewable Energy Standard will almost **double** the amount of green energy in Nova Scotia over the next five years.

This will mean that **100,000** homes will be powered by green energy and 750,000 tons of greenhouse gas will be displaced from our air. Already, these standards are resulting in wind turbine construction of over **\$1 billion**.

Through our gas market development fund, we are investing **\$1 million** to help Saint Mary's University convert to natural gas.

Through Conserve Nova Scotia, we are spending **\$10.2 million** on energy efficiency measures.

To encourage greater use of public transit—we will be investing \$3 million in an incentive program to help municipalities provide public transit in unserved and underserved rural areas.

We **will** integrate environmental sustainability and economic prosperity. We're investing an additional **\$400,000** to further support the goals and targets outlined in our legislation.

We will do this because we know that true prosperity is a combination of people, the economy, **and** the environment. *All* must prosper if we are to ensure the quality of life for future generations.

That's also why we are developing a Coastal Management Framework and investing **\$200,000** for two coastal coordinators. Good coastal management will help provide economic growth while protecting our environment.

As our legislation requires, we are developing strategies for the sustainable management of our forests, minerals, provincial parks, and water resources, as well as our ecosystems.



We are also increasing the amount of land protected in Nova Scotia. Our goal is to protect 12 per cent of total land mass in the province by 2015. We are well on our way, Mr. Speaker.

## Conclusion

Our path to 2020 is rooted in the infinite potential of this province and our people.

Today, we are making choices that will help us realize that potential.

Our budget is balanced.

We are lowering our debt.

We are making prudent spending choices.

We are laying a sound and solid fiscal plan for the future ... and for a **new Nova Scotia**.

Thank you.