



BUDGET 2026-27

# DEFENDING NOVA SCOTIA

Planning for the long term

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In a world where trade rules can change overnight, supply chains can break, and global politics can shift without warning, defending Nova Scotia means making our Province resilient ... at home and abroad.

Defending Nova Scotia today isn't just about borders or institutions.

It's about economic resilience ... whether our province can absorb shocks, adapt quickly, and protect what matters most to its people when conditions change beyond our control.

Over the last several years, Nova Scotians have seen how quickly global events can reach into daily life.

Decisions made far beyond our borders have affected the price of food, fuel, and housing; they have influenced interest rates, energy costs, and the availability of essential goods.

These pressures have reminded us that Nova Scotia does not operate in isolation.

Resilience, therefore, is no longer an abstract idea or a distant policy goal.

It is practical.

It is immediate.

And it is central to responsible government.

Resilience has two dimensions.

There is resilience inside Nova Scotia. That means access to timely and reliable health care and housing that people can afford. It means infrastructure that connects communities, and public services families can depend on ... even when conditions are challenging.

And there is resilience outside Nova Scotia. That looks like diversified trade relationships, competitive and innovative industries, and reliable partners. This gives us the capacity to respond when global markets or political realities shift suddenly.

Recent years have reinforced a simple truth: over-reliance is a vulnerability.

When too much of our economy depends on a single market, a single supply chain, or a single decision-maker elsewhere, shocks do not remain theoretical.

They land here ... quickly and forcefully.

This budget, and our government, are focused on reducing that vulnerability.

It is about defending Nova Scotia by strengthening our foundations and positioning our province to move with confidence in an increasingly uncertain world.

## THE HONEST DIAGNOSIS

To defend Nova Scotia effectively, we must be honest about how vulnerability was allowed to grow.

For years, past governments focused on reducing financial deficits while allowing real-world deficits to expand.

Fiscal balance sheets improved, but Nova Scotians' real-life experiences told a different story.

Healthcare waitlists grew longer.

Housing supply failed to keep pace with population growth.

Infrastructure aged without adequate investment.

Affordability pressures mounted for families, seniors, and young people ... and were often left unaddressed.

These were not sudden failures.

They were the result of delayed decisions, deferred maintenance, and a reluctance to confront structural problems directly.

Those choices did not always appear immediately on balance sheets, but they showed up clearly in emergency rooms, rental markets, classrooms and household budgets across the province.

At the same time, Nova Scotia was increasingly exposed to external risk.

Canada's economy is reliant on a narrow set of trading partners, particularly the United States. That creates risk for the whole country, including Nova Scotia.

In stable times, that was manageable.

In today's world ... marked by trade disputes, protectionism, supply chain disruptions, and political volatility ... it has become a clear and present risk.

Acknowledging this is not ideological.

It is risk management.

Past governments blocked responsible resource development and failed to fully leverage Nova Scotia's natural advantages.

By doing so, they weakened both the province's revenue base and its economic and energy independence, reducing our ability to respond when global conditions shifted.

## WHAT THIS GOVERNMENT DID DIFFERENTLY

This government made a deliberate and strategic choice to focus on its ability to deliver for Nova Scotians.

We understood that resilience does not come from writing larger cheques alone.

It comes from building systems that work better, move faster, and deliver results more consistently for Nova Scotians.

We invested heavily to address years of under-investment, but we also changed how government delivers services and supports growth.

In health care, we expanded training and recruitment, reduced barriers to credential recognition, and shortened pathways for doctors, nurses, and other health professionals to practice in Nova Scotia.

We invested in team-based care, modernized facilities, and ensured that more Nova Scotians could access care closer to home.

Because care delayed is care denied — and a resilient health-care system is a foundational pillar of a resilient province.

Nova Scotia has had a net gain of 570 new physicians since 2021.

Our surgical waitlist is at a record low since 2015, and we are now a top-performing province for hip and knee joint replacements, cataract surgeries and hip fracture repairs.

Our primary healthcare network is far stronger today than it was when we came into office. There are now more pathways to care, like urgent treatment centres, pharmacy clinics, VirtualCareNS and mobile primary care clinics.

124 health homes offer team-based care across the province.

We have created an additional 80,000 primary care appointments every month.

And we've seen a nearly 60 per cent drop in the number of people on the Need a Family Practice Registry in the last year.

In housing, we streamlined approvals, reduced duplication across departments and orders of government, and removed unnecessary regulatory delays that slowed construction and drove up costs.

As a result, housing starts are up significantly across the province. Completions are rising, and the vacancy rate has more than doubled.

This was a record year for preserving and building affordable housing. In this year alone, we enabled 1,032 affordable units. In the last four years, over 3,000 affordable housing units have been preserved or created.

That progress did not happen by accident. It happened because government stopped standing in the way.

We did not just invest more ... we removed the obstacles that were blocking delivery.

## RED TAPE, SPEED, AND ECONOMIC DEFENSE

In an uncertain world, red tape is not neutral.

Delay is a vulnerability.

Delays in housing approvals mean higher costs and fewer homes.

Delays in credentialing mean longer wait times and fewer professionals available to deliver care.

Delays in project approvals mean lost investment, lost revenue, and lost opportunity for communities.

Through initiatives such as Fewer Permits, Faster Projects, this government has streamlined or improved more than half of all provincial permits.

These reforms save time, reduce costs, and create the conditions for businesses and communities to grow.

Cutting red tape is about gaining access to competence and accountability, faster.

When systems move faster, Nova Scotia becomes more resilient.

When decisions are clear and timelines are predictable, investment follows.

Speed is a form of defense in a rapidly changing world.

## RESPONSIBLE RESOURCE DEVELOPMENT

This government understands that a resilient province must be able to harness its natural strengths responsibly and sustainably.

We clarified standards for resource development ... helping projects move more quickly while ensuring strong environmental protections.

We also made sure that community benefit agreements are built into project development from the outset.

That clarity has allowed Nova Scotia to move forward on major projects ... from offshore wind under the nationally recognized Wind West, to mining, forestry innovation, and renewed interest in responsible natural gas development.

Our focus on resource development is about defending our economy ... but it is also about ensuring our energy security.

Currently, we are reliant on the United States for our natural gas. All of the natural gas used to power our electrical grid flows through the United States.

This exposes our grid to unnecessary risk.

It also means we are driving up the cost of our energy. We use our natural gas to generate a substantial portion of the electricity we need in Nova Scotia.

Right now ... we buy it elsewhere and transport it here.

We do this even though we have enough onshore natural gas to meet domestic demand for 200 years.

It makes no sense to transport natural gas here from elsewhere.

It makes even less sense when we consider the economics of this arrangement.

When we rely on others for our natural gas supply ... we are agreeing to export resource jobs elsewhere ... and we drive up the cost of fuel needed to meet our electricity demands.

This is why we announced a research partnership with Dalhousie University. This partnership will help us better identify the natural gas potential ... and help us understand how to access this resource carefully, safely, and responsibly.

Saying yes to responsible development is not lowering environmental standards — it is enforcing them clearly and consistently.

In a world seeking energy, critical minerals, sustainable food, and secure supply chains, Nova Scotia has what global markets need.

Harnessing these advantages responsibly strengthens our economy, supports good-paying jobs, and reinforces our economic independence.

## TRADE RESILIENCE AND DIVERSIFICATION

Trade diversification is not a slogan. It is a strategy grounded in resilience.

To reach new markets, a province must be able to deliver ... on time, at scale, and to standard. That requires skilled workers, modern infrastructure, efficient approvals, and predictable rules.

This government has expanded trade relationships across Europe, Asia, and the Middle East. We have supported exporters as they enter new markets and helped businesses compete globally.

Just last year alone, exports to France grew by almost a third ... exports to Denmark grew by 33 percent ... and exports to Spain grew by 23 percent. Exports to Italy nearly doubled in one year.

Putting that into perspective ... our exports to the UK grew by two percent and exports to the US are relatively steady.

And in 2025, 84 companies joined the Province on fisheries trade missions. Those companies say the missions have helped them generate \$67.5 million in sales.

By diversifying where we sell our goods and services, we reduce our exposure to any single market and strengthen our ability to withstand global shocks.

## FINANCIAL SUSTAINABILITY

Resilience is not just about what we build ... it is about whether we can sustain it.

A province that cannot manage its finances cannot defend what matters most.

High deficits limit flexibility.

Rising debt crowds out future choices.

Interest costs divert resources away from health care, housing, education, and infrastructure.

Every dollar spent servicing debt is a dollar we cannot spend responding to new challenges or protecting essential services.

In a world of volatile trade relationships, shifting interest rates, and unpredictable global politics, financial stability is not optional.

It is protective.

A resilient province needs the fiscal capacity to act when others are forced to react.

## DISCIPLINE AS PROTECTION

This government approaches fiscal discipline not as retrenchment, but as protection.

Discipline is about guardrails.

It is about insurance.

It gives us the ability to absorb future shocks.

Financial discipline protects the services Nova Scotians rely on by ensuring government can respond to future uncertainty without sacrificing core priorities.

Stable finances create predictable government.

Predictable government builds confidence.

And confidence drives investment, growth, and opportunity.

Stability creates opportunity ... for families, for businesses, and for communities across Nova Scotia.

## DISCIPLINE WITHOUT RETREAT

This budget reflects a clear choice: discipline without retreat.

Health care is protected.

Education is protected.

Housing is protected.

Core public services are protected.

There are no tax increases for Nova Scotians.

In fact, this budget continues with last year's tax cuts ... changes that will save families over \$1,400 a year ... on average.

Additionally, Nova Scotians are seeing lower childcare costs, tolls removed, and targeted affordability supports for seniors, students, and low-income households.

This is a focused, disciplined, outcome-driven budget.

### Reducing the Size of Government

As part of the response to and in the immediate aftermath of the COVID pandemic, the size of the bureaucracy grew.

However, that growth in the public service is not sustainable.

The government needs to become more focused and efficient, and the public service will do its part.

Over the next four years, the civil service will see cuts of five per cent every year. This will save us \$95 million by year four.

The broader public service will see three per cent cuts.

We will work to protect the core frontline services and care that Nova Scotians rely on, while reducing the number of people who work inside government.

To assist with this, we will make investments in technology, work more efficiently, and focus the efforts of government on strategic priorities that will drive our province forward.

We know these changes will impact people and families ... and these are not decisions we made lightly ... but these are necessary decisions needed to defend our finances and our ability to respond to future shocks and risks.

## Grant Reductions

But we also must take steps to rein in government spending. In the lead up to budget, we were clear we would review discretionary spending.

We will reduce grants by \$130.4 million this year.

We did not make these decisions lightly. We understand that this will mean significant change for some organizations and that can be very difficult.

When deciding which grants would continue, we focused on the grants that meet the strategic priorities of the province.

We are focused on healthcare, housing, education ... and growing our economy.

## CONCLUSION

Opportunity does not come from government doing more for the sake of doing more.

It comes from government clearing pathways — so people, communities, and businesses can build.

This budget defends Nova Scotia by strengthening its foundations, reducing vulnerabilities, and positioning our province to move with confidence in an uncertain world.

That is what resilience looks like.

That is what defence means in 2026.

And that is the work this government will continue to do.

