

DEFENDING NOVA SCOTIA

Planning for the long term

BUDGET **2026-27**



Highlights

Budget 2026-27 Defending Nova Scotia: Planning for the long term makes strategic investments to forge a path towards prosperity.

Defending Nova Scotia means empowering our people, our businesses and our communities. It means making smart financial decisions and being thoughtful and strategic. It means making our province resilient at home and abroad.

This year's strategic investments will harness our natural assets; diversify our trading partners; enable our people to live a more independent and financially secure life; continue to transform how Nova Scotians receive the care they need, when they need it; and ensure we have the right infrastructure as a sound, safe and stable foundation.

GROWING OUR ECONOMY – Powering our Future

To sustainably provide the things Nova Scotians value most – healthcare, social opportunities, safe communities and public infrastructure – we must grow our economy. As our economy grows, all Nova Scotians will benefit from good jobs, stronger communities and more opportunities right here at home.

Harnessing Natural Resources

\$3.6 million more to continue implementing the Green Hydrogen Action Plan and to support offshore wind development, leading to transmission through Wind West

\$25 million this year, for a total of \$30 million, for the Subsurface Energy Research and Development Investment Program with Dalhousie University, to research onshore natural gas deposits and help ensure responsible exploration and development

\$300,000 to support growth in Nova Scotia's mining industry

Supporting Strategic Growth

\$1.5 million for Invest Nova Scotia to drive more GDP growth in six priority sectors:

- Defence and aerospace
- Clean and conventional energy
- Natural resources - forestry and mining
- Fisheries and agri-food
- Housing and construction
- Artificial Intelligence and digital economy

\$8 million to support forestry contractors and private woodlot owners to move low-grade wood to market and lower wildfire risk

\$1.8 million to increase The Gas Tax Access Road Program, which helps private woodlot owners build and upgrade access roads for harvesting

\$5 million to expand the Innovation Rebate Program (IRP) to accelerate sustainable economic growth in our natural resource, clean energy, advanced manufacturing and defence sectors

\$1.5 million for an innovation hub to help accelerate growth and improve productivity in Nova Scotia's seafood sector, including industry development services and science supports that respond to the needs of industry

\$1 million in targeted programs to attract and convert investment attraction in Nova Scotia's strategic sectors

\$190,000 increase to meet growing demand for aquaculture lab services with the detection of shellfish diseases in waters in Eastern Canada, for a total of \$415,000

\$35.4 million in provincial funding to increase resilience to climate change, enhance infrastructure, support inclusive communities and create a clean-growth economy through the Investing in Canada Infrastructure Program

\$39 million to continue supporting Nova Scotia's film industry

\$46.3 million to keep the small business tax rate at 1.5 per cent and increase the threshold to \$700,000, providing savings to 19,000 Nova Scotian business owners in 2026-27. Nova Scotia is tied for the third lowest small business tax rate in Canada

Expanding our Reach

\$2.5 million to help businesses diversify their trade markets

\$1.6 million this year, as part of a \$4-million three-year investment to expand market diversification initiatives to help exporters build capacity to operate in new markets, including the launch of a new market diversification funding program for seafood and agri-foods

\$1 million for the Institutional Development Expansion and Advancement Program to help make more local food available in public institutions

\$958,000 to enhance air access between Maritime provinces and better connect businesses and travellers in the region

EMPOWERING PEOPLE – Building Futures and Communities

While the world changes around us, we are reminded of what makes Nova Scotia the envy of other places. Owning our uniqueness and strengthening it through initiatives that create safe and resilient communities for all Nova Scotians will be a major focus for us in the year ahead.

Safe Communities

\$6.8 million to contract four dedicated fixed wing water bombers for Nova Scotia for wildfire operations

\$3 million to improve fire services, including setting provincewide standards for:

- fire service and safety
- municipal reporting requirements
- firefighter training and competency
- personal protective equipment
- firefighter certification

\$2.2 million funding for the Nova Scotia Guard

\$10.9 million more to help people facing gender-based violence with rent supplements, for a total of \$13.8 million to support 1,000 supplements, part of more than \$115 million in gender-based violence supports this year

\$460,000 continuing support for the Minister’s Roundtable on Gender-based Violence and the high-risk domestic violence table, part of more than \$115 million in gender-based violence supports this year

\$33.4 million to expand the province’s trunked mobile radio network and for year three of the Cellular for Nova Scotia Program, a multi-year commitment to expand access to cellular service across the province (operating and capital)

\$110.3 million to build and renovate schools, including two that will open in the 2026-27 school year (capital):

- École Baie Sainte-Marie in Clare
- École sur la péninsule d’Halifax in Halifax

\$40 million in continued provincial investment to support ongoing child care transformation

\$10.8 million for modular child-care centres on school properties, recoverable from the federal government (capital)

\$8.6 million to address growth in school enrollment

\$59.1 million in new funding to transform disability support and transition adults with disabilities to community living as part of the Nova Scotia Human Rights Remedy

\$5 million to help make improvements to the Victoria Highland Civic Centre

\$2 million to continue funding the African Nova Scotian Justice Institute's work to address systemic racism

\$1.5 million to continue the Land Titles Initiative program and help African Nova Scotian communities remove systemic barriers and support housing

\$496,000 to support community projects to address systemic hate, inequity and racism

\$430,000 this year, for a total of \$935,000 over two years, to support work emerging from the Environmental Racism Panel

\$450,000 increase, for a total of \$1.6 million, to fund habitat restoration projects and protect wetlands

\$300,000 to establish an Office for Children and Youth

\$373,000 for upgrades to the Central Nova Scotia Correctional Facility (capital)

Improving Access to Housing

Implementing the First Time Homebuyers Pilot Program that provides eligible applicants with the ability to purchase a home with a two per cent down payment, through provincial credit unions

\$34.3 million to continue the Actions to Accelerate Skilled Trades Growth plan to create good-paying jobs in the skilled trades, including \$5 million this year for the new Institute of Skilled Trades

\$30.8 million for post-secondary student housing for NSCC Cumberland and NSCC Kingstec

\$18.5 million to support shovel-ready, community-owned projects through the Affordable Housing Development Program

\$18.1 million provincial investment to address housing needs through the National Housing Strategy Action Plan with a focus on rapidly increasing supply, preserving existing affordable housing and transforming social housing

\$46.4 million to build new public housing units in Sackville, Glace Bay, Kentville, Middleton, Shubenacadie, Springhill, Windsor and Shannon Park, and maintain existing public housing units (operating and capital)

\$25.2 million to create 378 new supportive housing units across the province

\$9.6 million to create 75 more emergency shelter beds in Nova Scotia and enhance supports for Nova Scotians experiencing homelessness

\$5 million more, for a total of \$77 million, to increase the number of active rent supplements to 10,500

Making Life More Affordable for Families

\$681.2 million to continue tax saving measures will save the average Nova Scotian family more than \$1,400 a year in 2026-27:

- keeping tax brackets indexed, ending bracket creep due to inflation
- increasing the basic personal amount and the age amount
- maintaining the HST at 14 per cent, after a one per cent cut
- continuing Your Energy Rebate, a program that keeps power bills lower

\$100.4 million this year for Nova Scotia school food programs, \$96.7 million for the Nova Scotia School Lunch program and \$3.7 million for the Student Healthy Eating Program (breakfast), offering all students nutritious and affordable meals

\$56.5 million in student assistance, an increase of \$6.7 million, to help more than 40,000 students

\$32.5 million for the Heating Assistance Rebate Program, permanently increasing the amount to \$400 per year to help Nova Scotians in need pay for home heating

\$24.7 million to continue MOST, a tax refund to young workers under 30 in high-demand occupations, including skilled trades, film and video, and nurses

\$20.5 million more to support Nova Scotians through income assistance, indexed annually to help people with rising costs

\$19.8 million more, for a total of \$64.6 million, to support more low-income Nova Scotians through pharmacare

\$7.8 million more to support children and youth in the care of the Minister, including the Path program, which provides up to six years of funding and support to youth leaving care

\$1.6 million more, for a total of \$12 million, for the Property Tax Rebate for Seniors, which offers eligible seniors a rebate of half of their property taxes, up to \$800 per year

REBUILDING CARE - For a Healthier Nova Scotia

The government has made generational investments to transform Nova Scotia's healthcare system through the Action for Health plan. Significant investments to expand access to primary care and introduce virtual services and community pharmacy clinics mean Nova Scotians have more options than ever to get quality care. The YourHealthNS app now provides a single, convenient gateway for patients to view health records, locate nearby services, book appointments and access resources. Budget 2026-27 continues investing to rebuild healthcare.

Improving Access to Primary Care

\$1.6 million in continued investment in front-line IT support for physicians and clinicians

\$9.6 million for digital tools to help Nova Scotians find and access the healthcare they need, and to make it easier for providers to communicate with each other

\$3.2 million to improve 811, making it easier for patients to use it to find the care they need

\$47.5 million to hire more paramedics and emergency medical responders across Nova Scotia, improving emergency care

\$47.1 million to pay more to hardworking family doctors, including those who take shifts in long-term care facilities, hospitals and emergency departments in Nova Scotia's rural community hospitals

\$11.8 million to retain critical physician specialists

\$7.7 million to train and mentor medical students in communities across the province, helping train tomorrow's doctors

\$4.2 million more, for a total of \$14.9 million, for the Physician Assessment Centre of Excellence program, to assess much-needed international doctors while providing primary care to Nova Scotians (operating and capital)

\$1.7 million for more physicians covering emergency departments

\$7.6 million to create local clinical placements for CBU medical students and offer primary healthcare for 10,000 Cape Bretoners at the Marconi Clinic

\$5.7 million in operating funding to train more rural doctors at the Cape Breton medical campus

- \$570,000 to create residency seats for medical students participating in a pilot program to train more rural family doctors
- \$3.1 million to hire and train staff for the Cumberland Regional Health Care Centre's redeveloped emergency department so they can hit the ground running when it opens in June 2027
- \$1.8 million for a new operations centre to improve emergency health services in the Halifax area
- \$5.2 million to train and staff the South Shore Regional Hospital expansion and new MRI, expected to open in October 2027
- \$2.5 million to hire and train staff for new modular dialysis units in Strait Richmond, All Saints and Roseway hospitals
- \$2 million to start staffing, training and equipping the Yarmouth emergency department expansion
- \$2.8 million to hire and train staff in the Cape Breton Regional Municipality Health Care redevelopment project, which will begin serving patients starting this summer
- \$1.3 million to start hiring and training staff for the Cape Breton Cancer Centre, which will start seeing patients in June 2027
- \$40.1 million for the Multidisciplinary Oncology Partnership, diagnosing cancers earlier, with better treatments for patients (operating and capital)
- \$30.1 million to improve hospitalist coverage
- \$1.3 million more to expand the insulin pump program and sensor-based glucose monitoring program
- \$953,000 for dental surgery for children and adults with disabilities, which will reduce the wait list and get vulnerable Nova Scotians the dental surgery they need
- \$13.4 million increase for new diagnostic imaging equipment and staff (capital and operating)
- \$84.8 million to continue to improve primary care, including recruiting more family doctors, physician assistants, nurse practitioners and family practice nurses
- \$4.7 million toward the first phase of the Menopause Centre of Excellence to help women get the specialized care they need (operating and capital)

Inclusive Mental Health and Recovery

\$8 million more for Universal Mental Health and Addictions Care Insured Services program to expand services across the province

\$7 million investment to open Integrated Youth Services across the province by 2027/28. Five more sites are coming in the next two years

\$1.8 million in support for overdose prevention and harm reduction programs run by Ally Centre and Direction 180

\$1.2 million to provide integrated primary healthcare and mental health and addictions care at Ozanam Place, a Halifax supportive housing facility for seniors with complex needs experiencing homelessness

\$500,000 for improvements to the Mental Health and Addictions Provincial Crisis Line technology

\$700,000 to support improved addictions and mental health crisis response in community

Supporting Seniors

\$873.8 million toward the plan to build 5,700 new and replacement long-term care spaces by 2032 (capital). Seven more facilities are expected to open this year:

- Mountain Lea Lodge (Bridgetown)
- Adeline Hall (Bedford)
- Roger Bacon Long-Term Care Centre (Amherst)
- Grand View Manor (Berwick)
- DePaul Hall (Halifax)
- The Neighbourhoods of Dogwood Lane (Liverpool)
- St. Anne Community and Nursing Care Centre (Arichat)

\$20.8 million in operating funding for seven long-term care facilities opening this year

\$26.5 million more for the Home Support Direct Funding Program

\$26.5 million in continued funding for the Seniors Care Grant to support older Nova Scotians at home and in their communities

\$25.9 million more to support Seniors' Pharmacare for a total budget of \$235.9 million

\$12.3 million more to support seniors' attendant care

\$10.2 more for home care agencies to deliver home care services to Nova Scotians

\$4.9 million more to support seniors living in long-term care to receive specialized equipment to live comfortably and safely

\$1.9 million more for the home oxygen program for Nova Scotians to live safely and independently at home

\$1.8 million in continued investment for the provincial wound care program, which has drastically reduced pressure injuries

\$850,000 for a cluster care program to help provide home support services to seniors in 16 buildings in Cape Breton, Truro and Halifax

BUILDING A FINANCIALLY SUSTAINABLE AND RESILIENT PROVINCE

The government is focused on investments that will build and sustain communities for generations to come. Capital Plan 2026-27 invests more than \$3.5 billion in infrastructure across the province, including healthcare and long-term care facilities, housing projects and other priorities. We are investing in technology, working more efficiently and focusing the efforts of the public service on strategic priorities that will drive our province forward.

The government will do its part. To rebuild healthcare, increase housing and help Nova Scotians, the public service needed to grow. That growth in the public service is not sustainable and will be reduced over the next four years. We will invest in technology, work more efficiently and focus the efforts of government on strategic priorities that will drive our province forward.

Digital Transformation

\$233.5 million to continue rolling out One Patient One Record across the province, creating one digital health record for every patient no matter where they are (operating and capital)

\$41.9 million for Enterprise Resource Planning System (SAP) modernization costs to increase government security (capital)

\$33.8 million for cybersecurity enhancements including establishing a new Cyber Security Office to improve cyber threat detection and response (operating and capital)

\$5.5 million for AlayaCare, a new provincial technology platform to better connect the home care sector to support front-line staff and provide quality care, faster for Nova Scotians

\$4.4 million investment to establish Artificial Intelligence capabilities, including developing and deploying AI enabled applications

\$2.6 million to increase public safety and enhance provincial policing with a single records system for all police

Expanding Health Infrastructure and Access to Care

\$1.2 billion for the Halifax Infirmary Expansion Project and Cape Breton Regional Municipality Health Care redevelopment project (capital)

\$144.5 million for construction and renewal of other hospitals and medical facilities in Amherst, Yarmouth, South Shore and the IWK (capital)

\$24.7 million for the construction of modular units to expand dialysis service in (capital):

- Roseway Hospital (Shelburne)
- All Saints Hospital (Springhill)
- Strait Richmond Hospital (Evanston)

\$21 million for medical facilities repairs and renewals across the province (capital)

\$16 million for the repair and replacement of medical equipment across the province (capital)

Transforming Transportation

\$1 million to pilot artificial intelligence traffic signals in Halifax Regional Municipality

\$120.1 million for Halifax Harbour Bridges (capital)

\$476.1 million for highways and structures (capital)

\$52.5 million to buy land for future needs (capital)

BUDGET HIGHLIGHTS 2026–27

	2025-26 Estimate	2025-26 Forecast	2026-27 Estimate
Total Revenues	16,505,629	16,593,944	17,354,266
Total Expenses	17,568,701	18,169,668	18,932,152
Consolidation and Accounting Adjustments	365,573	326,618	386,936
Provincial Surplus (Deficit) - Before Contingency	(697,499)	(1,249,106)	(1,190,950)
Contingency	(200,000)	---	(50,000)
Provincial Surplus (Deficit) - After Contingency	(897,499)	(1,249,106)	(1,240,950)
Provincial Revenue Sources			
Personal Income Tax	4,730,924	4,632,262	4,932,857
Corporate Income Tax	836,540	876,732	893,408
Harmonized Sales Tax	2,588,233	2,611,316	2,755,058
Cannabis Tax	19,110	21,948	23,331
Vaping Tax	3,085	2,864	14,564
Non-resident Deed Transfer Tax	27,752	18,733	24,552
Motive Fuel Tax	284,393	283,604	297,678
Tobacco Tax	93,291	88,923	73,930
Other Tax Revenue	248,607	253,176	271,200
Prior Years' Adjustments - Provincial Taxes	---	12,470	---
Registry of Motor Vehicles	155,425	159,186	163,275
Other Provincial Sources	176,530	189,531	170,282
TCA Cost Shared Revenue	10,278	12,557	1,799
Other Fees and Charges	62,897	66,873	65,745
Gain (Loss) on Disposal of Crown Assets	1,700	1,955	80,000
Interest Revenues	188,226	121,243	116,865
Sinking Fund Earnings	27,143	27,523	32,121
Ordinary Recoveries	424,872	547,198	606,442
Net Income from Government Business Enterprises	465,447	470,940	462,515
Total - Provincial Sources	10,344,453	10,399,034	10,985,622
Federal Revenue Sources			
Equalization Payments	3,464,825	3,464,825	3,538,394
Canada Health Transfer	1,409,990	1,435,328	1,507,399
Canada Social Transfer	449,055	457,125	470,934
Other Federal Sources	163,511	168,910	167,356
TCA Cost Shared Revenue	28,717	37,625	89,763
Prior Years' Adjustments	---	11,838	---
Ordinary Recoveries	645,078	619,259	594,798
Total - Federal Sources	6,161,176	6,194,910	6,368,644
Expenses			
Advanced Education	732,171	742,619	542,339
Agriculture	47,946	50,946	48,048
Communities, Culture, Tourism and Heritage	168,120	200,699	162,785
Cyber Security and Digital Solutions	283,921	288,357	322,727
Education and Early Childhood Development	2,225,951	2,201,128	2,341,678
Emergency Management	61,060	62,799	60,190
Energy	48,613	53,613	45,982
Environment and Climate Change	80,124	78,716	59,877
Finance and Treasury Board	48,406	47,687	48,173
Fisheries and Aquaculture	15,095	15,095	17,933
Growth and Development	400,214	404,216	457,047
Health and Wellness	5,976,833	6,337,636	6,714,896
Justice	489,245	504,308	536,436
Labour, Skills and Immigration	246,453	246,849	431,995
Municipal Affairs	337,882	275,505	290,004
Natural Resources	112,138	177,065	131,455
Opportunities and Social Development	1,676,809	1,672,654	1,784,748
Public Service	525,274	536,002	579,386
Public Works	840,141	842,469	921,085
Seniors and Long-term Care	1,462,480	1,540,847	1,573,127
Service Nova Scotia	164,805	174,693	172,758
Restructuring Costs	551,472	651,397	527,721
Refundable Tax Credits	147,960	164,588	160,569
Pension Valuation Adjustment	17,079	(20,042)	(28,914)
Debt Servicing Costs	908,509	919,822	1,030,107
Total - Expenses	17,568,701	18,169,668	18,932,152