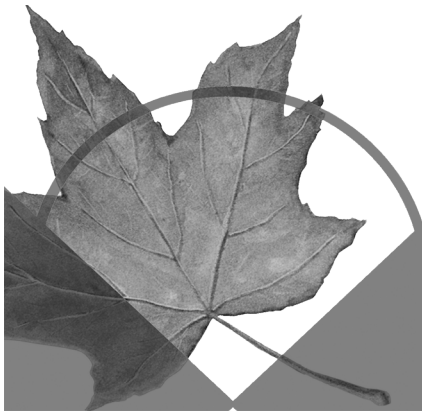


CCPA

CANADIAN CENTRE
for POLICY ALTERNATIVES
NOVA SCOTIA OFFICE



there is an alternative.

CCPA-NS Provincial Budget Submission

Nova Scotia's financial situation continues to improve, which means the province has the financial capacity to act on pressing issues.

The budgetary impacts of the COVID-19 pandemic will be felt for years to come, but provincial tax revenues are up, and the government is spending more money than in previous years. Much of this is driven by the increase in population and federal transfers.

This financial capacity, combined with the fact that the provincial government can borrow money more cheaply than the private sector, means the province should move urgently to address the tearing social fabric of our society.

This document draws from the 2023 Nova Scotia Alternative Budget's recommendations. Our submission provides recommendations in five areas – Housing, Health Care, Fiscal Policy, Cost of Living, and Poverty. The complete set of recommendations in the alternative budget would lead the province to a greener, more caring and just society. Nevertheless, the recommendations we highlight here would go a long way to fixing some of the rips in our province's social fabric.

Recommendations for the Provincial Budget

1. Housing

Across the province, Nova Scotians are struggling to find affordable housing. With low vacancy rates and high and increasing rental rates, housing insecurity and homelessness have increased. The current lack of affordable housing results from decades of neglect of public and non-profit housing by all three levels of government and allowing housing to become increasingly financialized. The lack of housing supply is a problem, but how our society adds to the supply matters. Simply subsidizing property developers to rush housing projects through is not a solution. Supply matters, affordability matters more.

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Housing is a human right, and the responsibility for ensuring access to affordable, accessible housing falls squarely with the provincial government—not municipalities, charities, or non-profit organizations, and certainly not with for-profit developers.

Recommendations

- i. Build 30,000 more homes – These homes must be public housing, non-profit housing, supportive housing, and cooperative housing that is permanently affordable, including those living in the deepest poverty in our province (those relying on social assistance). Any additional funding must be provided outside the so-called “housing market.”
 - ii. Invest in a new New Compliance and Enforcement Division for the Residential Tenancy Act.
2. Health care

Access to health care services is a top priority for many people in Nova Scotia. Far too many people do not have access to basic primary health care. Hospitals in the city are often overcrowded and too often closed in rural areas.

Instead of pursuing proven solutions, the provincial government is exploring a range of for-profit schemes. Privatization consistently undermines public health care and people’s access to care. When resources are diverted from public health care to private, for-profit entities, wait lists grow, and people lose access even further

Recommendations

- i. Immediately cease all privatization attempts – This government has demonstrated a dangerous trend toward privatizing public health services. This must be stopped and reversed. Services like virtual care can easily be delivered on a public, not-for-profit basis.
- ii. Support and fairly compensate primary care providers by shifting workloads–To build capacity within the system, hire more administrative professionals to take away these tasks from frontline service providers, phase out fee-for-service for physicians (shifting them to salaried), hire more midwives, and more home care specialists, licensed practical nurses, and ambulance attendants, substantially increasing wages for the lowest paid frontline workers to recruit and retain them, instead of introducing new, less skilled practitioners that will require more supervisory capacity from overstretched workers.
- iii. Re-think the approach to providing mental health services –allowing a handful of private-fee-for-service mental health practitioners to bill MSI directly will not significantly improve access to these practitioners or address the needs of those who have been marginalized within our health care system. The government needs to support those non-profit, community-based practitioners who are already providing mental health services to high-needs populations while also investing to hire mental health practitioners on salary to provide care in a multi-disciplinary team of physicians, nurse practitioners, nurses, dieticians, social workers and other allied health professionals, such as the North End Community Health Centre.

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- iv. Support Community Health Centres – The evidence has been clear for 50 + years; local Community Health Centres are an excellent model for delivering primary health care services. CHCs are democratically run by a Board of Directors elected by their community and are responsive to local needs. Provide all CHCs with core funding and expand them to communities across the province.
- v. Act on electronic health records – The province has been discussing electronic health records for decades and needs to fast-track implementation.
- vi. Broaden access, remove fees – eliminate ambulance fees, expand access to pharmacare, begin phasing out copays and premiums, and fully fund free, universal contraception.
- vii. Invest urgently in a diversity of harm reduction initiatives– provide funding for community-based programs to support those with addictions, including safe supply (of pharmaceutical grade alternatives to unregulated drugs) and supervised consumption services.

3. Fiscal Policy

With a low debt-to-GDP ratio and a growing population, Nova Scotia has new opportunities to invest in the services people need to thrive. The province should use this opportunity to make our tax system fairer and use the revenue to build a stronger social safety net.

Recommendations

- i. Stop underestimating provincial revenues – The provincial budgets are notorious for underestimating revenue. Some years, this results in a windfall for the government of up to 5% of total revenues (more than \$500,000,000). Cabinet has often approved spending from these windfalls without proper approval and oversight from the Legislature. Underestimating the revenue starves social programs of the resources required to help lift people.
- ii. Make the tax system fair – CCPA-NS has routinely provided policy options that would raise additional revenues to pay for housing, health care, and education while improving the progressivity of the system and ensuring taxes are based on the ability to pay. Our most recent Alternative Budget shows ways the province could raise more than \$510 million in new revenue to fund social programs while making the tax system fair. It's a win-win situation.
- iii. Find new options for raising revenues, including public enterprise.

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4. Cost of Living

The cost of living in Nova Scotia remains out of control. Many people feel themselves slipping further and further back each month. Even families who once would have considered themselves solidly middle class feel the budget impacts of rising food, electricity, gas, and housing costs. For years, wages had not kept up with inflation. In some ways, the provincial government has made things worse. Reducing the Home Heating Rebate, restricting rent supplements, and increasing the rent cap that still has holes allows landlords to raise rents well beyond the cap, raising the cost of living even further this year.

In addition to the actions of the government, the actions of large monopolies and duopolies must also come under scrutiny. Grocery stores, telecommunications companies, Nova Scotia Power, the banking sector, and insurance firms (among others!) have all been increasing prices. The provincial government must act and protect its people from predatory behaviour from a handful of large corporations.

Recommendations

- i. Increase the Affordable Living Tax Credit by 50% – this is the most timely and broad policy option the government has to get more money to people who need it most. The Credit should also be indexed to inflation.
- ii. Increase the income cut-off for all programs – The household income at which people no longer qualify for many provincial government programs is far too low, leaving many households without support.
- iii. Appoint and empower a Consumer Advocate with an office able to investigate grocery store prices, phone and internet bills, payday loans, and insurance increases. Require an investigation and report on each within four months.
- iv. Home Heating – Provide \$1000 per household for the 2024-2025 heating season. And allow families to apply annually to the HEAT fund.
- v. Stop sky-rocketing rent–Turn the rent cap into proper rent control tied to the unit.
- vi. Improve the rent supplement– Fund subsidies for all renters in the province living in unaffordable housing who pay 30% or more of their income on rent, not just those paying 50% of their income on rent, and tie it to people’s actual rental amounts plus utilities.
- vii. Expand licensed child care– The reduced cost of licensed child care has helped many families, but many still do not have access. Invest more to expand full-day, full-year non-profit child care at \$10 a day (free to low-income families) to meet the needs.

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5. Poverty

Nova Scotia has the highest provincial poverty in the country--9.8% of people in Nova Scotia live in poverty (Census 2021). That is over 100,000 people, not just a percentage. Beyond the disastrous human costs, poverty costs the provincial economy over \$2 billion yearly in direct costs and lost productivity.

Recommendations

- i. Provide enough income support (phased in over three years) to lift all individuals and families out of poverty with substantial increases to the Employment Supports and Income Assistance (ESIA), the NS Child Benefit and the NS Affordable Living Tax Credit.
- ii. Invest in public transit – A growing number of regions in the province are creating public transportation systems. It used to be just HRM and CBRM that had active bus routes. Today, that list includes Pictou County, the Annapolis Valley, Bridgewater, and others. Supporting the expansion of public transit systems to additional regions of the province and providing enhanced support for the existing networks could also be vital to meeting Nova Scotia's climate goals. A new provincial crown corporation could coordinate local efforts and further expand public transit options.
- iii. Build affordable, non-market housing - It really cannot be said enough.

Conclusion

Every budget represents a series of choices that our government makes. Often, governments tell citizens there are no options or alternatives to how public finances are presented. This is never true.

For too long, governments have neglected to address structural inequalities and systemic inequities that prevent many Nova Scotians from reaching their full potential. Our society leaves many depleted and even fearful of the future. Generations of young people trapped under the weight of student debt are now facing multiple crises--climate, housing, and healthcare, to name a few.

In this set of recommendations, we have presented options for how the government can make different decisions. Decisions that invest in social and economic justice. There are always options available to reduce inequality.

It is time to ensure that the wealth in our province is shared equitably, including using it to fund public services that play a critical role in levelling the playing field. Investments, such as in child care, public education or post-secondary education, have spin-off effects in building human capital and productivity or income taxes from the newly employed.

Nova Scotians are still dealing with the fallout of fires, floods, and hurricanes. The Nova Scotia government must build a robust social safety net and invest in our public infrastructure to prepare us to deal with the current crises, mitigate the impact of the next one, and invest in prevention.

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The Nova Scotia Alternative Budget 2023 shows us we must, and we can implement an alternative vision for the province. A vision of a province where no one is left behind requires changing how we tax and spend. It requires us to come to terms with the scale and scope of the public investment needed to transform our way of living. We have the fiscal capacity and the solutions; it just takes political will.

About CCPA-NS

The Nova Scotia office of the CCPA opened its doors in 1999. With the help of our loyal supporters and research associates, we continue to raise debate and propose policy alternatives that will get us closer to achieving a more economically and socially just—as well as environmentally sustainable—province and Atlantic region. The Nova Scotia Alternative Budget (NSAB) is a collaborative endeavour involving stakeholders from many sectors of our province, including front-line service organizations, other non-profit organizations, and academics with diverse expertise. The NSAB makes a persuasive case for how we can use the power of taxation and public expenditure to create social, economic, and climate justice.

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