

PUBLIC ACCOUNTS
OF THE
PROVINCE OF NOVA SCOTIA
FOR THE
Fiscal Year Ended March 31
1997

VOLUME 1 - FINANCIAL STATEMENTS

PRINTED BY ORDER OF THE LEGISLATURE



Nova Scotia

HALIFAX, N.S.
1997

To His Honour,

The Honourable J. James Kinley, CD,SM,PEng., FEIC.

Lieutenant Governor of Nova Scotia

May It Please Your Honour —

The Undersigned has the honour to submit the Public Accounts of the Province of Nova Scotia for the fiscal year ended March 31, 1997.

J. William Gillis
Minister of Finance

Office of the Minister
Halifax, N.S.

*The Honourable J. William Gillis
Minister of Finance
Halifax, Nova Scotia*

Sir:

In accordance with Section 9(1) of the Provincial Financial Act, I have the honour to submit the Public Accounts of the Province of Nova Scotia for the fiscal year ended March 31, 1997.

Respectfully submitted,

Robert P. Moody
Deputy Minister of Finance

Halifax, N.S.

PROVINCE OF NOVA SCOTIA

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PROVINCE OF NOVA SCOTIA

Additional Appropriations Relative to
The Fiscal Year Ended March 31, 1997

Department	Date of Order- in-Council	Amount	
Agriculture and Marketing	Feb. 25, 1997	\$ (91,000.00)	
Business and Consumer Services	Feb. 25, 1997	(546,000.00)	
Community Services	Apr. 22, 1997	5,503,000.00	
Education and Culture	Apr. 22, 1997	14,876,000.00 (1)	
	Apr. 22, 1997	460,000.00	
Environment	Feb. 25, 1997	32,000.00	
Finance	Feb. 25, 1997	243,000.00	
Fisheries	Feb. 25, 1997	(86,000.00)	
Housing and Municipal Affairs	Feb. 25, 1997	308,000.00	
	Apr. 22, 1997	2,867,000.00 (1)	
Human Resources	Feb. 25, 1997	(7,000.00)	
Labour	Feb. 25, 1997	(30,000.00)	
Natural Resources	Feb. 25, 1997	220,000.00	
Public Service			
Communications Nova Scotia	Feb. 25, 1997	(3,000.00)	
Human Rights Commission	Sep. 17, 1997	202,317.00	
Office of the Ombudsman	Sep. 17, 1997	18,864.00	
Public Inquiry, Westray Mine	Apr. 22, 1997	750,000.00	
Technology and Science Secretariat	Feb. 25, 1997	(7,000.00)	
The Nova Scotia Economic Renewal Agency	Feb. 25, 1997	371,000.00	
Transportation and Public Works	Feb. 25, 1997	(276,000.00)	
Resolutions Respecting The Estimates:			
Health	Resolution 134	April 28, 1997	119,830,000.00
	Resolution 134	April 28, 1997	4,285,000.00 (1)
Justice	Resolution 134	April 28, 1997	15,364,000.00

(1) Capital Account

AUDITORS' REPORT

The Honourable J. William Gillis,
Minister of Finance,
Province of Nova Scotia,
Halifax, Nova Scotia.

Sir:

We have audited the statements of financial position of the Province of Nova Scotia as at March 31, 1997 and 1996 and the statements of revenue and expenditures, net direct debt and changes in financial position for the years then ended together with notes (numbered 1 to 8 inclusive) to the financial statements and the supporting Schedules (numbered 1 to 5 inclusive). These financial statements are the responsibility of the Province. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by senior officials, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Province of Nova Scotia as at March 31, 1997 and 1996 and the results of its operations and the changes in its financial position for the years then ended in accordance with the accounting policies stated in the notes to the financial statements.

DELOITTE & TOUCHE
Chartered Accountants

Toronto, Ontario
June 12, 1997

PROVINCE OF NOVA SCOTIA

Statement of Financial Position
as at March 31, 1997

Schedule Number		1997	1996
		(in thousands)	
	Assets		
	Cash and short-term investments \$	113,365	\$ 242,837
10	Accounts receivable and advances	623,911	503,802
4	Loans and investments	560,835	577,973
19,20	Unamortized foreign exchange translation gains and losses and discounts on debentures	597,978	838,772
		<u>\$ 1,896,089</u>	<u>\$ 2,163,384</u>
	Liabilities		
	Bank advances and short-term borrowings \$	395,132	\$ 428,763
16	Accounts payable	370,009	392,877
	Deferred Revenue - fiscal arrangements (Note 2)	351,035	153,761
	Accrued interest	255,479	250,745
5	Unmatured debt	7,766,817	8,182,983
	Pension and retirement obligations (Note 3)	866,749	996,780
	Deficiency in net assets of certain Crown Corporations (Note 5)	463,911	473,067
		<u>10,469,132</u>	<u>10,878,976</u>
	Net Direct Debt (Statement 3)	<u>(8,573,043)</u>	<u>(8,715,592)</u>
		<u>\$ 1,896,089</u>	<u>\$ 2,163,384</u>
23	Trust Funds under Administration (Note 6)	<u>\$ 4,857,576</u>	<u>\$ 4,230,192</u>

Contingent Liabilities and Commitments (Note 7)

PROVINCE OF NOVA SCOTIA

**Statement of Revenue and Expenditures
for the fiscal year ended March 31, 1997**

	1997		1996
	Estimate	Actual (in thousands)	Actual
Revenue (Schedule 1)	\$ 4,178,061	\$ 4,246,045	\$ 3,968,810
Program Expenditures (Schedule 2)	3,241,114	3,383,113	3,071,860
Excess of Revenue over Program Expenditures	936,947	862,932	896,950
Debt Servicing Costs	896,871	811,082	896,588
Current Account Surplus	40,076	51,850	362
Net Capital Expenditures (Schedule 3)	159,175	167,442	317,864
Sinking Fund Earnings	121,900	123,868	116,400
Surplus (Deficit)	\$ 2,801	\$ 8,276	\$ (201,102)

PROVINCE OF NOVA SCOTIA

**Statement of Net Direct Debt
for the fiscal year ended March 31, 1997**

	1997	1996
	(in thousands)	
Net Direct Debt - beginning of year	\$ 8,715,592	\$ 8,513,975
Add (deduct):		
(Surplus) Deficit for the year (Statement 2)	(8,276)	201,102
Change in deficiency in net assets of certain		
Crown Corporations (Note 5)	(9,029)	26,015
Adjustment to Net Unfunded Pension Obligations (Note 3)	(125,244)	(25,500)
(Decrease) Increase in Net Direct Debt	(142,549)	201,617
Net Direct Debt - end of year	<u>\$ 8,573,043</u>	<u>\$ 8,715,592</u>

PROVINCE OF NOVA SCOTIA

Statement of Changes in Financial Position
for the fiscal year ended March 31, 1997

	1997	1996
	(in thousands)	
Cash inflow (outflow) from the following activities:		
Operating:		
Surplus (Deficit)	\$ 8,276	\$ (201,102)
Sinking Fund Earnings	(123,868)	(116,400)
Changes in Receivables, Payables and Other Items	72,141	118,732
	<u>(43,451)</u>	<u>(198,770)</u>
Investing:		
Repayment of Loans	88,470	66,666
Additional Loans and Investments	(80,427)	(75,095)
Other	(555)	(174)
	<u>7,488</u>	<u>(8,603)</u>
Financing:		
Debentures Issued	833,033	615,284
Payments to Public Debt Retirement Fund	---	(161,901)
Sinking Fund Instalments and Serial Retirements	(210,507)	(199,507)
Refinancing Transactions	(682,404)	(38,700)
	<u>(59,878)</u>	<u>215,176</u>
Cash (outflow)	(95,841)	7,803
Cash Position, Beginning of Year	<u>(185,926)</u>	<u>(193,729)</u>
Cash Position, End of Year	<u>\$ (281,767)</u>	<u>\$ (185,926)</u>
Cash Position:		
Cash and Short-term Investments	\$ 113,365	\$ 242,837
Bank Advances and Short-term Borrowings	<u>(395,132)</u>	<u>(428,763)</u>
	<u>\$ (281,767)</u>	<u>\$ (185,926)</u>

PROVINCE OF NOVA SCOTIA

**Schedule of Revenue
for the fiscal year ended March 31, 1997**

	1997		1996
	Estimate	Actual (in thousands)	Actual
Provincial Sources			
Income Taxes	\$ 1,008,212	\$ 1,063,839	\$ 980,910
Sales Taxes	1,033,600	1,025,995	1,012,071
Interest Revenue - Loans	35,296	34,866	37,649
- Other	9,041	701	832
Liquor Commission	114,529	116,104	113,175
Gaming Revenue	131,325	133,388	121,931
Other Provincial Revenue	165,221	162,990	158,947
Proceeds from Sale of Crown Assets	---	854	261
Federal Sources			
Equalization	1,147,906	1,115,691	1,126,187
Established Programs Financing	---	---	364,663
Equalization Offshore Revenue Offset	1,602	---	
Canada Health and Social Transfer	529,022	536,412	
Other Federal Payments	2,307	2,306	2,306
Prior Years' Adjustments - Federal-			
Provincial Fiscal Arrangements	---	52,899	49,878
	<u>\$ 4,178,061</u>	<u>\$ 4,246,045</u>	<u>\$ 3,968,810</u>

Schedule 2

**Schedule of Net Current Account Expenditures by Function
for the fiscal year ended March 31, 1997**

	1997		1996
	Estimate	Actual (in thousands)	Actual
General Government	\$ 67,203	\$ 64,909	\$ 102,671
Public Protection	118,020	134,034	145,378
Transportation and and Communications	180,152	183,595	108,749
Resource Development	150,858	148,201	148,170
Health	1,162,547	1,287,054	1,223,406
Social Services	543,271	547,417	301,121
Education	898,324	900,378	915,897
Culture and Recreation	33,431	33,834	34,278
Municipal Affairs	48,708	48,064	46,605
Restructuring Costs	38,600	35,627	45,585
	<u>\$ 3,241,114</u>	<u>\$ 3,383,113</u>	<u>\$ 3,071,860</u>

PROVINCE OF NOVA SCOTIA

**Schedule of Net Capital Account Expenditures by Function
for the fiscal year ended March 31, 1997**

	1997		1996
	Estimate	Actual (in thousands)	Actual
General Government	\$ ---	\$ ---	11,623
Public Protection	2,003	1,455	7,944
Transportation and Communications	75,292	70,990	132,022
Resource Development	3,218	988	15,158
Health	19,191	19,348	49,820
Social Services	146	58	367
Education	40,404	52,922	42,093
Culture and Recreation	2,766	2,485	3,145
Municipal Affairs	16,155	19,196	55,692
	<u>\$ 159,175</u>	<u>\$ 167,442</u>	<u>\$ 317,864</u>

The Province has recorded as capital expenditures certain commitments representing projects in progress as at March 31, 1997 to the extent of \$11,715,297 (1996 - \$50,913,813) (see Note 7).

PROVINCE OF NOVA SCOTIA

Schedule of Loans and Investments
as at March 31, 1997

	Loans and Investments		Loans and Investments less Provisions	
		Provisions	1997	1996
Loans:		(in thousands)		
Housing -				
Housing Development Act (net of Canada Mortgage and Housing Corporation and other borrowings of \$37,782,000 in 1997 and \$40,221,000 in 1996)	\$ 100,870	\$ 6,090	\$ 94,780	\$ 95,333
Resource and Industrial Development -				
Agriculture and Rural Credit Act	142,976	6,570	136,406	145,922
Business Development Corporation Act	169,056	48,269	120,787	129,132
Deuterium of Canada Act	113,897	---	113,897	113,897
Fisheries Development Act	38,773	928	37,845	43,098
Industrial Development Act	89,450	52,448	37,002	29,279
Venture Corporations Act	3,467	2,789	678	671
Miscellaneous	1,649	---	1,649	1,917
Other -				
Loans to Municipalities	3,846	---	3,846	4,978
Health Services Tax Act	971	971	---	---
	<u>664,955</u>	<u>118,065</u>	<u>546,890</u>	<u>564,227</u>
Investments:	<u>32,759</u>	<u>18,814</u>	<u>13,945</u>	<u>13,746</u>
	<u>\$ 697,714</u>	<u>\$ 136,879</u>	<u>\$ 560,835</u>	<u>\$ 577,973</u>

PROVINCE OF NOVA SCOTIA

Schedule of Unmatured Debt
as at March 31, 1997

	1997			1996		
	Amount Outstanding	Sinking Funds	Net	Amount Outstanding	Sinking Funds	Net
	(in thousands)					
Debentures						
Payable in Canadian						
Dollars	\$ 4,395,558	\$ 955,198	\$ 3,440,360	\$ 3,722,811	\$ 734,870	\$ 2,987,941
Payable in U.S.						
Dollars	4,002,482	392,363	3,610,119	3,759,297	296,592	3,462,705
Payable in Japanese						
Yen	1,230,900	165,350	1,065,550	1,785,000	202,338	1,582,662
Payable in Swiss						
Francs	240,625	39,391	201,234	492,866	61,482	431,384
Payable in U.K.						
Pounds	79	---	79	187,254	21,258	165,996
	<u>9,869,644</u>	<u>1,552,302</u>	<u>8,317,342</u>	<u>9,947,228</u>	<u>1,316,540</u>	<u>8,630,688</u>
Public Debt						
Retirement Fund	---	709,540	(709,540)	---	648,346	(648,346)
	<u>9,869,644</u>	<u>2,261,842</u>	<u>7,607,802</u>	<u>9,947,228</u>	<u>1,964,886</u>	<u>7,982,342</u>
Other Capital Liabilities:						
Hospital Debt	63,914	30,893	33,021	68,072	24,764	43,308
Public School						
Debt	152,556	59,175	93,381	200,072	77,366	122,706
Government of						
Canada Loans	2,969	---	2,969	4,255	---	4,255
Courthouse Debt	1,229	---	1,229	1,348	---	1,348
Capital Lease						
and Purchase						
Agreements	28,415	---	28,415	29,024	---	29,024
	<u>\$ 10,118,727</u>	<u>\$ 2,351,910</u>	<u>\$ 7,766,817</u>	<u>\$ 10,249,999</u>	<u>\$ 2,067,016</u>	<u>\$ 8,182,983</u>

Notes: Principal repayments and sinking fund requirements for the years ending March 31, 1998 to March 31, 2002 expressed in Canadian dollars at rates of exchange in effect at March 31, 1997 are \$622,917; \$839,906; \$933,563, \$1,092,649 and \$639,491 respectively.

For the years ended March 31, 1997 and March 31, 1996, the average debt service cost in respect of debentures was 8.94% and 10.19%, respectively. The average term of debentures outstanding at March 31, 1996 and 1997 was 19.0 and 18.23 years, respectively. The average remaining term of such debentures at March 31, 1997 was 11.68 years.

These amounts are presented after giving effect to currency swap contracts itemized in Note 4.

PROVINCE OF NOVA SCOTIA**Notes to Financial Statements
March 31, 1997****1. FINANCIAL REPORTING AND ACCOUNTING POLICIES****Public Accounts and the Budgetary Process**

The Public Accounts of the Province, of which these financial statements are a part, are presented annually to the Legislative Assembly and contain, among other information, the detail of revenue, net program expenditures (including current and capital), net debt servicing costs, borrowing and investing authorities, as well as detailed expenditures by object.

The receipt of public revenues, the disbursement of public funds, the control of expenditures and the keeping and auditing of the accounts of the Province are governed by various Provincial statutes.

The budgetary estimates, as approved annually by the Legislative Assembly, within the Appropriations Act, provide the authority for net current and capital expenditures and present the anticipated revenues of the Province for the fiscal year. Authority for net program expenditures is also provided under the authority of the Provincial Finance Act. Authority for program expenditures (including current and capital) expires at the end of each fiscal year and is provided as one authority; prior to 1996-97 capital spending authority was valid for two years and was a separate authority.

Commencing with the 1996-97 fiscal year, the amount appropriated by the Legislature for net program expenditures and net debt servicing costs, as defined in the budgetary summary of the annual Estimates, shall not exceed the amount of revenue estimated by the Minister for that fiscal year in accordance with the Expenditure Control Act. An amount may be expended in a fiscal year for these expenditures to a maximum of one per cent more than the amount originally appropriated by the Legislature. Expenditures exceeding this level require that a resolution be passed by the House of Assembly authorizing the expenditures. Further, in the event net program expenditures and net debt servicing costs for a fiscal year exceed the total revenues for that year, the resulting deficit shall be recovered within the following two fiscal years. Should revenues exceed expenditures, the resulting surplus is to be used to reduce the public debt of the Province, or reduce taxes, or both. Proceeds from the sale of crown assets are required by legislation to be used to reduce the public debt of the Province. These revenues are therefore not available for program expenditures.

The Reporting Entity

These financial statements include the accounts of the Consolidated Fund, together with the accounts of commercially oriented, government enterprises; the latter are recorded on the modified equity basis of accounting. Information relating to the Nova Scotia Municipal Finance Corporation and Nova Scotia Power Finance Corporation, provincial agencies whose accounts are excluded from these financial statements, is set out in Note 7 "Contingent Liabilities and Commitments".

The Province separately prepares consolidated financial information including the assets, liabilities, revenues and expenses of boards, commissions and non-commercially oriented corporations which are owned or controlled by the Province and which are accountable for the administration of their financial affairs and revenues, either to a Minister of the Province or directly to the Legislature;

such consolidated financial information forms part of the Public Accounts as supplemental information.

Basis of Accounting

These accounts are maintained on an accrual basis, revenues recorded when earned and expenditures recorded when incurred modified to include, for the years ended March 31, 1996 and March 31, 1997 outstanding commitments for certain capital projects in progress at the reporting date. Revenues from Personal and Corporate Income Taxes, federal transfers including Equalization, and Canada Health & Social Transfer are accrued in the year earned based upon estimates.

Grants (which include forgivable loans) are recognized in the period during which both payment is authorized and any eligibility criteria are met. Provisions are made for probable losses on loan guarantees issued by the Province, and for contingent liabilities when it is likely that a liability exists and the amount can be reasonably determined.

Net Direct Debt

Net direct debt represents the direct liabilities of the Province less realizable assets and unamortized foreign exchange translation gains/losses and discounts on outstanding debenture issues. Capital expenditures are not considered to be realizable assets for purposes of calculating net direct debt and thus are not capitalized as assets.

Debentures and Sinking Funds

Debentures payable in foreign currencies, accrued interest thereon, and related sinking funds, where invested in foreign currencies, are translated into Canadian dollars at the rate of exchange in effect at year-end. Sinking fund payments usually commence on the first anniversary date of the issue and are generally designed to retire the debt over a 20 year period or the term of the issue, whichever is longer.

Sinking fund investments are recorded at cost, and consist primarily of debentures of the Province of Nova Scotia, other provincial governments and the Government of Canada. Sinking funds for U.S. currency debentures are invested in U.S. dollar denominated investments.

The policy objectives of this sinking fund and the public debt retirement fund are to manage short-term liquidity, to manage interest rate and currency exposure, and to assist in the orderly refunding of maturing debt while maximizing the long-term investment return to the Province.

Investments included in the public debt retirement fund and sinking funds include debentures issued by the Province of Nova Scotia and debt instruments to the extent of \$921.3 million.

Realized foreign exchange gains and losses relating to U.S. dollar denominated annual sinking fund instalments or serial retirements are charged to debt servicing costs.

Foreign exchange gains and losses on the translation of foreign currency debentures together with discounts and underwriting commissions relating to the issuance of debentures are amortized over a twenty year period or the term of the issue, whichever is longer.

Hospital and Public School Debt

The Departments of Health and Education and Culture have commitments to various financial institutions to provide debt servicing payments in respect to debt incurred for hospital and school

construction. These commitments are recorded as debt in the Statement of Financial Position. The majority of this debt had been financed through Provincially guaranteed borrowings of the Nova Scotia Municipal Finance Corporation.

Pension and Retirement Obligations

Pension plans established under the Public Service Superannuation Act and the Teachers Pension Act are subject to formal triennial actuarial valuations. The pension liability for these plans is calculated on an actuarial basis using the Province's best estimates to update the most recent formal valuations. The pension expense comprises the Province's share of estimated current service contributions and contributions made with respect to unfunded liabilities. Adjustments to net unfunded liabilities between reporting dates are charged or credited to Net Direct Debt.

The Province also maintains accounts within the Consolidated Fund for pension and related benefit funds in respect of early retirement incentive programs, Judges' Pension Supplement, Members Retiring Allowance Act, Public Service Awards and the Public Service Superannuation Plan. The estimated liability for benefits relating to these funds is calculated on an actuarial basis; the difference between actual experience and that expected, based on assumptions used in estimating liability for benefits, is charged to Net Direct Debt.

2. TRANSITIONAL ASSISTANCE - HARMONIZATION OF SALES TAXES

In accordance with the October 1996 Federal Provincial Agreement on the Harmonization of the Goods and Services Tax and the Provincial Sales Tax, the Federal Government advanced \$249 million to offset anticipated losses in the provincial sales tax revenues resulting from the harmonization. These funds are included in deferred revenue as at March 31, 1997, and will be amortized over the next three to five years in an amount equal to the estimated revenue loss in sales tax as a result of harmonization.

3. PENSION, RETIREMENT AND OTHER OBLIGATIONS

The Province's share of pension and other obligations (surplus) consists of:

	1997	1996
	(in thousands)	
Public Service Superannuation Plan	\$(66,590)	\$67,500
Teachers' Pension Plan	649,782	699,568
Members' Retiring Allowances Act	41,964	46,063
Sysco Pension Plan	32,990	52,145
Early Retirement Incentive Programs	114,747	80,893
Judges' Pension Supplement	7,750	6,936
Other Non-Contributory Service Plans	16,293	15,823
Public Service Award	44,340	27,852
Self-Insured Workers' Compensation	25,473	---
	<u>\$866,749</u>	<u>\$996,780</u>

Public Service Superannuation Fund

This is a pension plan to which the Province and the plan members make contributions. Actuarial valuations of the plan are carried out at least every three years and provide an estimate of the funded position of the plan as at the valuation date. The calculations are updated in the intervalation years. The last full valuation was carried out by the plan's consulting actuary as at March 31, 1995 and the last update, also done by the plan's consulting actuary, as at December 31, 1996. Based on these figures, projections were made to determine the funded position of the plan as at March 31, 1997. These projections indicate a surplus of approximately \$133,179,000. The Province has recognized its 50% share of this amount in these financial statements. At March 31, 1997 the assets of the fund, which are segregated from the assets of the Province, amounted to \$2,256,279,000, and the actuarial obligations were \$2,123,100,000. Detailed financial statements for the superannuation fund are included as a separate section of the public accounts.

Nova Scotia Teachers' Pension Plan

The Province's obligations in respect of the Teachers' Pension Plan are comprised of the following:

	(in thousands)
50% of the unfunded liability	\$290,976
Present value of payments required to be made pursuant to Schedule A of the Teachers' Pension Act	280,264
Present value of payments required to be made pursuant to Schedule B of the Teachers' Pension Act	78,542
Total	<u><u>\$649,782</u></u>

The Teachers' Pension Plan is a pension plan to which the Province and the plan members make contributions. Actuarial valuations of the plan are carried out at least every three years and provide an estimate of the funded position of the plan as at the valuation date. The calculations are updated in the intervalation years. The last full valuation was carried out by the plan's consulting actuary, as at July 31, 1994. Using the same assumptions, an updated valuation was carried out by the consulting actuary as at July 31, 1996. Based on these figures, projections were made to determine the funded position of the plan as at March 31, 1997. These projections indicate an unfunded liability of approximately \$581,953,000. The Province has recognized its 50% share of this amount in these financial statements. At March 31, 1997 the assets of the fund, which are segregated from those of the Province, amounted to \$2,640,043,000, and the actuarial obligations were \$3,221,996,000. Detailed financial statements for the Nova Scotia Teachers' Pension Fund are included as a separate section of the Public Accounts.

Pursuant to an agreement with the Nova Scotia Teachers' Union in 1993, amendments were made to the Teachers' Pension Act (Schedules A and B) regarding amounts which the Province would pay to the pension fund. The Province agreed to assume responsibility for \$300 million of the unfunded liability. Under Schedule A, the Province is committed to discharging this liability by a series of quarterly payments which include interest at an effective rate of 8% per annum compounded semi-annually, for a period of thirty years. The present value of the outstanding principal as at March 31, 1997, discounted at the pension plan's valuation rate of 8.5% per annum is approximately \$280,264,000. Under Schedule B, the Province is committed to making a series of payments which began at \$10,000,000 per annum in 1993/94, increased by 7.5% each year thereafter until 2003. The present value of these future payments as at March 31, 1997, discounted at the pension plan's valuation rate of 8.5% per annum is approximately \$78,542,000.

Members' Retiring Allowances Act

Members of the Legislative Assembly are entitled to receive retiring allowances pursuant to the provisions of The Members' Retiring Allowance Act. The most recent actuarial report as at August 31, 1996 estimated the unfunded liability to be \$41.0 million. An estimate prepared internally by the Province of Nova Scotia as at March 31, 1997, estimates this unfunded liability to be \$42.0 million which is recorded in these financial statements.

Early Retirement Incentive Programs

Early retirement incentive programs have been offered by the province since 1986. These programs offered additional years of pensionable service for those qualified and who elected to retire. The portion of pensions payable attributable to this additional service is an obligation of the province and is not paid from the Public Service Superannuation Fund.

Self-Insured Workers' Compensation

The Province self-insures for Workers' Compensation benefits for its own employees. The estimated liability associated with this program based on a 1994 actuarial study is \$25.4 million. This liability has been reflected in the Province's accounts as a charge against Net Direct Debt for the fiscal year ended March 31, 1997. Previously this amount was reported as a commitment in the notes.

Other Obligations

The remaining obligations are unfunded and are recorded at the estimated actuarial value.

4. DERIVATIVE FINANCIAL INSTRUMENTS

The Province is a party to financial instruments with off-balance sheet risk, either to hedge against the risks associated with fluctuations in foreign currency exchange rates, or to manage risks associated with interest rate fluctuations. Foreign currency contracts are used to convert the liability for foreign currency borrowings and associated costs into Canadian or U.S. dollars. Interest rate contracts are used to vary the amounts and periods, for which interest rates on borrowings are fixed or floating.

Foreign exchange contracts include forward and future contracts, swap agreements and options. Interest rate contracts include forward rate agreements, future contracts, swap agreements and options on swaps, and deferred rate-setting agreements.

The Province has executed the following swap contracts to convert certain interest payments from a fixed to floating, or floating to floating basis for the fiscal year ended March 31, 1997.

# of Swaps	Currency	Principal (in thousands)	Term (years)	Reset Index	Spread	* Mark to Market (millions)
17	CDN \$	862,700	2 to 12	CAD-BA-CDOR 3 mth	-0.20 to 3.61	76.49
3	US \$	700,000	4 to 10	USD-LIBOR 3 mth CAD-BA-CDOR 3 mth	no spread -0.54 to -0.55	17.96
3	UK £	143,200	2 to 10	GBP-LIBOR-BBA 6 mth USD-LIBOR-BBA 6 mth	+2.96 +0.01 to+2.85	7.89
3	YEN ¥	63,000,000	2 to 5	USD-LIBOR-BBA 3 mth JPY-LIBOR-BBA 6 mth CAD-BA-CDOR 3 mth	-0.18 +0.67 -0.01	18.78

* Mark to Market is an indication of the swap's market value as at March 31, 1997. This represents the estimated gain and is equivalent to the present value of future interest savings based on market conditions as at March 31, 1997.

The Province has also executed several currency swap contracts to convert foreign denominated debt into Canadian or United States denominated debt as follows:

Original Currency	Original Principal (in thousands)	Current Currency	Current Principal (in thousands)
US \$	250,000	CDN \$	345,312
US \$	250,000	CDN \$	345,312
UK £	60,000	US \$	98,736
UK £	23,215	US \$	38,204
YEN ¥	3,000,000	CDN \$	41,436
YEN ¥	25,000,000	US \$	223,314

5. GOVERNMENT ENTERPRISES

	1997			
	Assets	Liabilities	Revenue	Expenditures
	(in thousands)			
Nova Scotia Liquor Commission	\$36,042	\$16,457	\$328,559	\$212,455
Nova Scotia Gaming Control Commission	338	338	11,505	6,248
Nova Scotia Gaming Corporation	15,074	14,266	178,269	59,088
Sydney Steel Corporation	60,324	62,056	91,085	116,792
Nova Scotia Resources Limited	30,590	432,913	90,079	81,427
Highway 104 Western Alignment Corporation	97,470	97,470	---	---
	<u>\$239,838</u>	<u>\$623,500</u>	<u>\$699,497</u>	<u>\$476,010</u>

The net operating results of Sydney Steel Corporation and Nova Scotia Resources Limited are reported in the Statement of Net Direct Debt; net operating results of the other enterprises are recorded in the Statement of Revenue and Expenditures.

Nova Scotia Gaming Corporation

The Nova Scotia Gaming Corporation was incorporated on February 15, 1995 by Chapter 4 of the Acts of 1994-95, the Gaming Control Act. The purpose of the Corporation is to develop, undertake, organize, conduct and manage casinos and other lottery schemes on behalf of the Province.

The revenues of the Corporation are derived from the Sheraton Halifax and Sydney Casinos and the Atlantic Lottery Corporation. The net earnings of the Corporation, after providing for expenses, are recorded in the revenues of the Province.

The Nova Scotia Gaming Corporation is guaranteed revenues of \$25 million from the Halifax and Sydney casinos in each of four years commencing August 1, 1995. Total provincial revenue includes the aggregate of casino win tax paid to the Province, annual registration fees paid to the Nova Scotia Gaming Control Commission and the share of profit allocated to the Nova Scotia Gaming Corporation as described in an Operating Contract with Sheraton Casinos Nova Scotia. If Total Provincial Revenue falls below the \$25 million requirement in any year of the guarantee period, the Sheraton is obligated to pay the Corporation the shortfall.

Pursuant to the Operating Contract, the Nova Scotia Gaming Corporation and the Sheraton have agreed that if Total Provincial Revenue exceeds \$25 million in any of years two through to year five, then any previously paid deficiencies can be offset against Total Provincial Revenue earned in excess of \$25 million. In any year in which Total Provincial Revenue exceeds \$25 million up to and including year five, the Corporation will record the repayment to the Operator of any previously paid deficiency as an expense of the Corporation. For the year ended March 31, 1997, the total provincial government revenue related to this contract was \$25 million, of which \$8.351 million was in relation to the income guarantee.

Sydney Steel Corporation

Sydney Steel Corporation (Sysco), a Provincial Crown Corporation established by an Act of the Legislature operates a steel mill at Sydney, Nova Scotia.

Sysco recorded losses for the years ended December 31, 1996 and 1995 of \$25,707,000 and \$10,243,000, respectively. These losses are reflected in the Statement of Net Direct Debt. Debt of Sysco, guaranteed by the Province, amounted to \$50,717,302 as at March 31, 1997. The Province's cumulative provision for the deficiency in net assets of the company is \$61,587,137 as at March 31, 1997.

On November 8, 1994 the Province of Nova Scotia signed an agreement with China National Metals and Minerals Import and Export Corporation (Minmetals). In general terms the agreement provides that:

- the Province and Minmetals will jointly operate the Corporation for an interim period commencing January 1, 1995, pursuant to a joint operating agreement.
- the Province will assume responsibility for certain obligations prior to January 1, 1995. The corporation is responsible for debts incurred after this date; and
- Minmetals is obliged to purchase the assets of the Corporation pursuant to an agreement of purchase and sale.

During the March 31, 1997 fiscal year Minmetals requested the Province consider an alternative buyer for Sysco. Based on this request, the Province will be evaluating expressions of interest from the private sector prior to expiry of the joint operating agreement which is December 31, 1997.

Nova Scotia Resources Limited

The Company has a 50 per cent working interest in the Panuke and Cohasset oil fields offshore Nova Scotia that went into production in 1992. Net earnings for the years ended December 31, 1994, 1995 and 1996, adjusted to comply with the Province's accounting policy for foreign exchange gains and losses, amounted to \$39,729,000. These earnings have been recorded in the Province's accounts during the fiscal year ended March 31, 1997 and are reported in the Statement of Net Direct Debt.

The carrying value of oil and gas properties is \$11,081,000, based on estimates of oil and gas reserves recoverable based on commodity prices at December 31, 1996. Debt of Nova Scotia Resources Limited guaranteed by the Province amounted to \$409,942,000 at March 31, 1997. The Province's cumulative provision for the deficiency in net assets of the company is \$402,324,000 as at March 31, 1997.

Highway 104 Western Alignment Corporation

The Highway 104 Western Alignment Corporation has been established to finance, design, construct, operate and maintain a 45 km stretch of highway between Masstown and Thomson Station in the Counties of Colchester and Cumberland, Nova Scotia.

The Province of Nova Scotia retains ownership of the highway; however, the Corporation is granted the right to operate and collect tolls for a thirty year period, pursuant to an agreement dated April 1, 1996 after which time the right will revert back to the Province.

The Province will contribute \$55,000,000 toward construction of the highway. This \$55,000,000 contribution is equally shared with the federal government under the Canada/Nova Scotia Strategic Highway Improvement Program. Of this amount, \$29,000,000 was paid in the fiscal year ended March 31, 1997, \$14,500,000 of which was the Province's share.

6. TRUST FUNDS UNDER ADMINISTRATION

Trust fund assets administered by the Province (before giving consideration to actuarial adjustments) are:

	1997	1996
	(in thousands)	
Public Service Superannuation Fund	\$2,255,015	\$1,957,997
Nova Scotia Teachers' Pension Fund	2,570,846	2,220,196
Miscellaneous Trusts	31,715	51,999
	<u>\$4,857,576</u>	<u>\$4,230,192</u>

7. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities

The Province acts as a guarantor of debt issued by Crown corporations, agencies and various other entities under authorities provided by Provincial statutes. Outstanding bank loans, bonds, and debentures, net of applicable sinking funds and debt defeasance investments, directly guaranteed by the Province are summarized as follows:

	1997	1996
	(in thousands)	
Nova Scotia Power Finance Corporation	\$5,715	\$37,132
Nova Scotia Resources Limited	409,942	408,922
Nova Scotia Municipal Finance Corporation	356,083	430,019
Sydney Steel Corporation	50,717	30,205
Halifax-Dartmouth Bridge Commission	70,709	74,712
Nova Scotia Business Development Corporation	13,531	17,307
Industrial Development Act	32,242	33,000
Other	929	1,073
	<u>939,868</u>	<u>1,032,370</u>
Deduct items for which provision has been made in these financial statements:		
Hospital and public school debt (Schedule 5)	126,401	166,014
Provision for deficiency in net assets of certain Crown Corporations	453,041	439,127
Other	5,789	9,179
	<u>\$354,637</u>	<u>\$418,050</u>

At March 31, 1997, the Province had also guaranteed performance bonds totalling \$7,574,311 for Sydney Steel Corporation.

Nova Scotia Power Finance Corporation

On August 12, 1992, the Government of Nova Scotia completed the public sale of common shares of Nova Scotia Power Inc. (NSPI) an electric utility which had assumed the net operating assets of Nova Scotia Power Corporation (NSPC). Prior to that date, the utility was a Provincial Crown corporation.

NSPC, which has been renamed Nova Scotia Power Finance Corporation (the Corporation), will continue as a Provincial Crown corporation for the sole purpose of servicing the Corporation's long-term debt guaranteed by the Province, which at March 31, 1997 amounted to \$1,549,853,900, less sinking funds of \$103,848,412 and defeasance investments of \$1,440,290,000. Payments by NSPI will service such long-term debt. NSPI is committed to repay, redeem or defease the remaining outstanding long-term debt of the Corporation by December 31, 1997. Provincial guarantees will remain in effect until the debt is retired.

Neither the Province nor the Corporation will guarantee, assume or otherwise be responsible for any obligations of NSPI, and NSPI has agreed to indemnify the Corporation and the Province against any claims arising out of the liabilities and commitments assumed by NSPI.

Nova Scotia Municipal Finance Corporation

Debenture debt of the Nova Scotia Municipal Finance Corporation (MFC) outstanding at March 31, 1997 and March 31, 1996, totalled \$542,600,000 and \$568,426,000, respectively. This debt is guaranteed by the Province of Nova Scotia. Of this debt, at March 31, 1997 and March 31, 1996, \$216,470,000 and \$268,144,000, respectively, has been designated for hospital and public school construction and is included in Unmatured Debt of the Province, net of related sinking funds. The remaining debt represents loans by MFC to municipalities.

Commitments

The Province changed its authority for capital spending from two years to one year and combined that authority with current program spending commencing in the year ended March 31, 1996. As a transitional measure the Province accrued certain capital commitments for the years ended March 31, 1996 and March 31, 1997. This transitional measure will not be continued in subsequent fiscal years.

The amount of capital commitments accrued in each respective year, to which this policy applies, is as follows:

Year Ended March 31, 1996	\$50,913,813
Year Ended March 31, 1997	\$11,715,297

The Long-Term Disability plan, which is funded on an equal basis by the Province and its employees, has an estimated unfunded liability as at March 31, 1997 of approximately \$45,000,000. The Province is not contractually committed to fund this shortfall, therefore, no liability is recorded in these financial statements.

8. Comparative Figures

Certain 1996 comparative figures have been reclassified to conform with the financial statement presentation adopted for 1997.

PROVINCE OF NOVA SCOTIA

Statement of Direct Guarantees
as at March 31, 1997

Bank Loans:

Sydney Steel Corporation (1) (2)	\$	50,717,302	
Nova Scotia Resources Limited (U.S. \$101,745,783) (1) (2)		140,846,687	
Nova Scotia Business Development Corporation (2)		13,531,186	
Industrial Development Act (2)		<u>32,241,631</u>	\$ 237,336,806

Promissory Notes:

Nova Scotia Resources Limited (U.S. \$194,390,707) (1) (2) (3)			269,095,055
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Bonds and Debentures:

Halifax-Dartmouth Bridge Commission:

11% Series M due July 3, 2001	\$	100,000,000	
Less: Sinking Funds		<u>29,290,799</u>	70,709,201

Nova Scotia Power Finance Corporation (4):

9 1/4% Series S due July 21, 2002	50,000,000	
9 3/8% Series V due January 10, 2003	50,000,000	
11 1/2% Series AA due July 15, 2005	50,000,000	
13 1/2% Series AE due December 1, 2002	100,000,000	
12 1/2% Series AF due December 20, 2003	75,000,000	
12 1/8% Series AG due February 14, 2005	100,000,000	
10 7/8% Series AH due November 15, 2012	150,000,000	
11 1/4% Series AJ due April 27, 2014	200,000,000	
10 1/4% Series AK due January 10, 2020	150,000,000	
11% Series AM due February 26, 2031	200,000,000	
U.S. \$300,000,000 9.40% Series AN due April 1, 2021 (1)	415,290,000	
10 1/4% Series DO02, due July 7, 1997	<u>9,563,900</u>	
	<u>1,549,853,900</u>	

Less: Sinking Funds	103,848,412	
Defeasance Funds (Includes U.S.\$300,000,000)	<u>1,440,290,000</u>	
	<u>1,544,138,412</u>	5,715,488

Nova Scotia Municipal Finance Corporation (6):

11 1/4% Series A due	
January 4, 1998-2000	3,750,000
12% Series B due July 2, 1997-2000	2,800,000
13 3/8% Series C due	
December 19, 1997-2000	5,000,000
13 3/8% Series D due	
December 19, 1997-2000	2,000,000
12 3/4% Series K due	
September 7, 1997 - 1998	1,400,000
14 1/4% Series M due	
August 28, 1997-1999	300,000
12 1/4% to 12 1/2% Series N due	
April 2, 1997-2005	4,795,000
10.9% to 11% Series P due	
December 11, 1997-2000	3,000,000
8 3/4% Series S due	
May 14, 1997	4,987,000
10.8% to 10 3/4% Series T due	
December 15, 1997	5,231,000
10.35% to 10.375% Series U due	
May 11, 1997-1998	3,889,000
10.9% to 11% Series V due	
November 3, 1997-1998	29,125,000
11 1/4% Series W due April 26, 1999	40,100,000
10 1/2% Series X due	
November 16, 1999	43,000,000
11 3/4% Series Y due June 21, 2000	44,000,000
11.90% Series Z due November 15, 2000	59,000,000
10 3/4% to 10 1/2% Series AA due	
May 29, 1997-2001	18,000,000
9 1/2% to 9 3/4% Series AB due	
October 30, 1997-2001	23,925,000
9 3/8% to 9 7/8% Series AC due	
May 13, 1997-2002	36,680,000
7 1/2% to 8 1/2% Series AD due	
December 9, 1997-2002	28,920,000
6 3/8% to 8 1/2% Series AE due	
November 5, 1997-2003	19,140,000
6 1/2% to 7 5/8% Series AF due	
November 18, 1997-2003	15,250,000
8 1/4% to 9 1/4% Series AG due	
July 13, 1997-2004	14,960,000
8 3/8 % to 9 3/4% Series AH due	
December 8, 1997-2004	23,668,000
6 7/8 % to 8 1/8% Series AJ due	
May 1997-2006	30,825,000
4 3/4 % to 7 1/2% Series AI due	
October 1997-2006	21,140,000
	<u>484,885,000</u>

Less: Sinking Funds (5)	<u>128,801,922</u>	<u>356,083,078</u>	432,507,767
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Mortgages:		
Housing Act	928,876	928,876
Total Direct Guarantees		939,868,504
Less: Amounts reflected in the Province's Net Direct Debt (2)		585,232,152
		<u>\$ 354,636,352</u>

Notes:

(1) Guaranteed bank loans, notes, bonds, and debentures payable in U.S. dollars totalling U.S. \$596,136,490 are reflected in this statement at the rate of exchange in effect at March 31, 1997. Defeasance funds totalling U.S.\$300,000,000 pertaining to these borrowings are invested in U.S. dollar denominated securities and are reflected in this statement at the Canadian dollar equivalent at the rate of exchange in effect at March 31, 1997.

(2) The following amounts have been reflected in the calculation of the Province's Net Direct Debt:

Deficiency in Net Assets of certain Crown Corporations:		
Nova Scotia Resources Limited and Sydney Steel Corporation	\$ 453,041,302	
Included in Accounts Payable:		
Industrial Development Act		2,070,500
Nova Scotia Business Development Corporation		3,718,510
Included in Capital Liabilities:		
School and Hospital debt payable to Nova Scotia		
Municipal Finance Corporation		126,401,840
		<u>\$ 585,232,152</u>

(3) **Nova Scotia Resources Limited**

Principal due	\$ 267,693,294	
Accrued interest at March 31, 1997	1,401,761	
	<u>\$ 269,095,055</u>	(A)

(A) Reflected at the Canadian dollar equivalent at the rate of exchange in effect at March 31, 1997.

Nova Scotia Resources Limited created a commercial paper program in Europe whereby it borrows U.S. dollars as required for various terms of less than one year. The program is supported by a loan facility with several banks and together have a ceiling of U.S. \$250 million.

(4) Upon privatization of Nova Scotia Power Corporation, all assets and liabilities except long-term debt and related sinking funds were transferred to a new corporation, Nova Scotia Power Incorporated. The name of the old corporation was changed to Nova Scotia Power Finance Corporation.

(5) Debenture debt of Nova Scotia Municipal Finance Corporation has been reloaned to certain municipalities, school boards and hospitals on substantially the same terms as the Corporation's debt. Sinking Funds respecting this debt are provided by these municipalities, school boards and hospitals.

(6) Series AI and AK, totalling \$57,715,000, were placed directly with the Province and are not guaranteed by the Province.

PROVINCE OF NOVA SCOTIA

**Statement of Special Reserve Account
for the fiscal year ended March 31, 1997**

	1997	1996
Balance - beginning of year	\$ 137,028	\$ 123,949
Add: Transfer from -		
Industrial Expansion Fund Order-in-Council		
March 26, 1996	---	349,119
Industrial Loan Fund Order-in-Council		
March 26, 1996	---	504,960
Municipal Loan Fund Order-in-Council		
March 26, 1996	---	259,000
	<u>---</u>	<u>1,113,079</u>
Deduct: Transfer to -		
Hawker Siddley Optional Retirement Program		
Fund Order-in-Council March 26, 1996	---	1,100,000
Balance - end of year	\$ <u>137,028</u>	\$ <u>137,028</u>

PROVINCE OF NOVA SCOTIA

Statement of Funds Created from Special Reserve Account
as at March 31, 1997

	Municipal Loan Fund	Hawker Siddley Optional Retirement Program Fund	Total
Balance - March 31, 1996	\$ 106,000	\$ 779,387	\$ 885,387
Deduct:			
Expenditures	---	424,371	424,371
Balance - March 31, 1997	<u>\$ 106,000</u>	<u>\$ 355,016</u>	<u>\$ 461,016</u>
Represented by:			
Outstanding loans less provision (Schedule 12)	\$ 74,000	\$ ---	\$ 74,000
Unappropriated balance of Fund - March 31, 1997	<u>32,000</u>	<u>355,016</u>	<u>387,016</u>
	<u>\$ 106,000</u>	<u>\$ 355,016</u>	<u>\$ 461,016</u>

PROVINCE OF NOVA SCOTIA

**Statement of Health Services Reserve Account
for the fiscal year ended March 31, 1997**

	1997	1996
Balance - beginning of year	\$ 1,566,362	\$ 1,470,889
Add:		
Decrease in provision for		
Doubtful Accounts	89,913	95,473
Balance - end of year	<u>\$ 1,656,275</u>	<u>\$ 1,566,362</u>
Represented by:		
Loans and expenditures authorized but not made	\$ 299,667	\$ 299,667
Unappropriated balance - end of year	1,356,608	1,266,695
	<u>\$ 1,656,275</u>	<u>\$ 1,566,362</u>

PROVINCE OF NOVA SCOTIA

**Accounts Receivable and Advances
as at March 31, 1997**

	Accounts Receivable and Advances	Provisions for Doubtful Accounts (Schedule 15)	Accounts Receivable less Provisions 1997	1996
Government of Canada	\$ 84,120,621.72	\$ ---	\$ 84,120,621.72	\$ 75,399,436.13
Nova Scotia Liquor				
Commission	19,584,989.32	---	19,584,989.32	19,619,064.63
Health Services Tax	67,920,726.29	6,281,488.83	61,639,237.46	57,330,738.46
Gasoline Tax	14,807,599.76	1,432.70	14,806,167.06	15,122,308.58
Tobacco Tax	7,590,880.00	---	7,590,880.00	7,175,865.26
Towns, Cities and Municipalities	25,039,765.19	---	25,039,765.19	16,066,872.56
Receivables of Various Government Departments -				
Agriculture and Marketing	6,084,664.13	35,512.84	6,049,151.29	5,141,496.78
Business and Consumer Services	282,808.02	20,292.82	262,515.20	---
Community Services	32,844,754.24	---	32,844,754.24	23,432,777.18
Education and Culture	47,125,387.92	15,610,404.40	31,514,983.52	20,929,582.10
Environment	1,474,129.89	1,312.50	1,472,817.39	963,309.59
Finance	140,760,041.96	36.00	140,760,005.96	85,916,445.84
Fisheries	1,580,761.51	---	1,580,761.51	1,575,318.84
Health	160,325,830.74	41,605,227.02	118,720,603.72	125,872,244.19
Housing and Municipal Affairs	24,042,505.08	156,598.36	23,885,906.72	15,640,105.59
Human Resources	37,144.03	---	37,144.03	13,370.00
Justice	6,346,875.37	2,012,515.07	4,334,360.30	5,154,656.09
Labour	326,456.26	---	326,456.26	241,360.74
Natural Resources	5,535,683.23	187,155.67	5,348,527.56	2,794,230.62
Public Service	2,542,473.23	862,180.70	1,680,292.53	1,375,585.09
The Nova Scotia Economic Renewal Agency	3,637,827.46	98,833.97	3,538,993.49	1,716,670.92
Transportation and Public Works	39,039,859.33	267,890.26	38,771,969.07	22,321,038.90
	<u>\$ 691,051,784.68</u>	<u>\$ 67,140,881.14</u>	<u>\$ 623,910,903.54</u>	<u>\$ 503,802,478.09</u>

PROVINCE OF NOVA SCOTIA

Statement of Current Advances
as at March 31, 1997

	1997	1996
Department of -		
Finance:		
Automobile Advances (Employee Purchase Assistance) \$	766.76	7,663.92
Accountable Advances (Travel and Other)	30,030.26	59,415.34
Human Resources:		
Workers' Compensation Board of Nova Scotia	5,000.00	5,000.00
Public Service:		
Board of Commissioners of Public Utilities	125,000.00	125,000.00
Transportation and Public Works:		
Accountable Advances (Travel and Other)	2,261.34	17,002.99
Workers' Compensation Board of Nova Scotia	45,000.00	46,000.00
Operating Account	341,702.00	---
Department Operating Accounts:		
Education and Culture	35,000.00	114,000.00
Health	142,000.00	---
Housing and Municipal Affairs	2,700.00	1,151.87
The Nova Scotia Economic Renewal Agency	321,351.56	210,736.91
	<u>\$ 1,050,811.92</u>	<u>\$ 585,971.03</u>

PROVINCE OF NOVA SCOTIA

Statement of Loans
As at March 31, 1997

	Loans	Provisions for Doubtful Accounts (Schedule 15)	Loans less Provisions		Interest
			1997	1996	Revenue 1997
General Funds					
Agriculture and Rural Credit Act, R.S. 1989	\$ 142,976,143	\$ 6,569,876	\$ 136,406,267	\$ 145,921,562	\$ 12,085,419
Business Development Corporation Act, R.S. 1989	169,055,558	48,268,559	120,786,999	129,132,454	9,055,333
Crop and Livestock Insurance Act, R.S. 1989	709,345	---	709,345	687,136	---
Deuterium of Canada Act, 1966	113,897,009	---	113,897,009	113,897,009	---
Fisheries Development Act, R.S. 1989	38,773,308	928,472	37,844,836	43,098,136	3,709,008
Health Services and Insurance Act, R.S. 1989	940,000	---	940,000	1,230,000	---
Housing Development Act R.S. 1989 less Government of Canada Share (net of Canada Mortgage and Housing Corporation and other borrowings amounting to \$37,781,528)	100,869,508	6,090,000	94,779,508	95,333,641	9,607,329
Industrial Development Act, R.S. 1989	89,450,181	52,448,089	37,002,092	29,278,753	7,708
Loans to Municipalities - funds provided by					
Government of Canada	984,749	---	984,749	1,488,485	123,985
Municipal Hospitals Loan Act, R.S. 1989	55,000	---	55,000	147,250	12,169
Municipal Loan and Building Fund Act, R.S. 1989	2,731,775	---	2,731,775	3,243,138	259,746
Venture Corporations Act, R.S. 1989	3,467,133	2,788,647	678,486	670,987	
	<u>663,909,709</u>	<u>117,093,643</u>	<u>546,816,066</u>	<u>564,128,551</u>	<u>34,860,697</u>
Special Reserve Funds					
Municipal Loan and Building Fund Act, R.S. 1989	74,000	---	74,000	99,000	4,910
Health Services Reserve Account					
Health Services Tax Act, R.S. 1989	970,829	970,829	---	---	
	<u>\$ 664,954,538</u>	<u>\$ 118,064,472</u>	<u>\$ 546,890,066</u>	<u>\$ 564,227,551</u>	<u>\$ 34,865,607</u>

AGRICULTURE AND RURAL CREDIT ACT. The Nova Scotia Farm Loan Board, a Provincial agency, provides loans to individuals and corporations engaged in the farming industry. Loans are provided for the acquisition of real estate or the improvement of existing facilities and generally are secured by agreements of sale between the borrower and the Province.

BUSINESS DEVELOPMENT CORPORATION ACT. The Nova Scotia Business Development Corporation is an agency of the Province established to encourage business development in the Province and to promote economic growth and employment opportunities by rendering to business, financial and other assistance. Loans are primarily secured by first mortgages and by fixed and floating charges.

CROP AND LIVESTOCK INSURANCE ACT. The Province makes advances to the Crop Re-Insurance Fund of Canada for Nova Scotia. The purpose of this fund is to assist the Province of Nova Scotia when there is a requirement by the Province to make advances to the Nova Scotia Crop and Livestock Insurance Commission for the payment of crop insurance indemnities.

DEUTERIUM OF CANADA LIMITED. Deuterium of Canada Limited ("Deuterium"), a corporation owned by the Province, constructed a major industrial installation for the commercial production of heavy water at Glace Bay, Nova Scotia. In February 1978, an agreement was signed for the sale of the facilities of Deuterium and its subsidiaries to Atomic Energy of Canada Limited ("AECL"), a Federal Crown Corporation. The purchase price is being paid in quarterly installments of \$825,000 each over 20 years beginning April 1, 1978. Title to the facilities will pass upon payment of the final installment. The installments are being paid by AECL to a trustee, which is obligated to invest the funds and the earnings thereon in debentures of the Province yielding 5.5% to maturity. At the date of the final payment in January 1998, the fund will total \$118.9 million and will be used to repay the Province's investment in and loans to Deuterium, which amounted to \$116.9 million at March 31, 1997. Since March 31, 1970, the Province has waived interest on its loans to Deuterium.

FISHERIES DEVELOPMENT ACT. The Province provides loans for the construction or purchase of vessels, machinery and other onboard fishing equipment. Loans are made to individuals, partnerships and corporations and are generally secured by first marine mortgages.

HEALTH SERVICES AND INSURANCE ACT. The Province provides unsecured loans to establish, maintain, expand, construct or equip hospitals or health care facilities in the Province.

HOUSING DEVELOPMENT ACT. The Nova Scotia Department of Housing and Municipal Affairs, through the Nova Scotia Housing Development Fund, provides subsidized mortgage loans for home ownership and low interest loans for home insulation, repair or rehabilitation, acquires or constructs lease-purchase housing, assembles and services land for new housing developments and provides public housing. The programs are aimed at low to moderate income groups. Public housing programs are financed jointly by Canada Mortgage and Housing Corporation ("CMHC"), a Federal Crown Corporation, and the Province. CMHC provides 75% of the capital funds for public housing programs with the Province providing the remaining 25%. The Province provides 100% of the capital funding for other loan programs. Only the Province's share of the financing for these programs is reflected in the schedule of loans.

INDUSTRIAL DEVELOPMENT ACT. The Province provides financial assistance to industries engaged in manufacturing and processing activities or natural resource extraction. Loans are primarily secured by first mortgages and by fixed and floating charge debentures.

LOANS TO MUNICIPALITIES. Loans were provided by the Government of Canada for municipal capital projects. The Province loaned these funds to municipalities under similar terms and conditions. Loans are for terms of 20 years and are evidenced by debentures covering principal and interest.

MUNICIPAL LOAN AND BUILDING FUND ACT. Provincial loans to municipalities for water and sewer systems, schools and municipal buildings. Loans are secured by municipal debentures.

VENTURE CORPORATIONS ACT. The Province provides a source of equity capital to registered Venture Corporations to encourage the development of small businesses in Nova Scotia. The Venture Corporations in turn provide assistance in the development of small enterprises by providing equity capital and business and managerial expertise.

HEALTH SERVICES TAX ACT. Loans from the Health Services Reserve Account to hospitals for the construction of health care facilities.

PROVINCE OF NOVA SCOTIA

**Additional Loans, Investments and Repayments
during the fiscal year ended March 31, 1997**

Additional Loans		Repayments	
1997	1996	General Funds	1997 1996
\$ 22,406,055	\$ 21,339,727	Agriculture and Rural Credit Act	\$ 31,554,717 \$ 19,905,647
		Business Development Corporation Act	22,455,015 14,898,930
22,391,002	22,859,967	Crop and Livestock Insurance Act	--- ---
22,208	12,039	Fisheries Development Act	13,951,545 9,736,329
8,717,168	8,991,419	Health Services and Insurance Act	290,000 478,445
---	---	Housing Development Act	17,745,600 18,967,821
20,785,565	21,044,022	Industrial Development Act	1,237,097 1,102,075
6,104,952	847,426	Municipalities - funds provided by	
---	---	Government of Canada	503,737 718,830
---	---	Municipal Hospitals Loan Act	92,250 137,250
---	---	Municipal Loan and Building Fund Act	511,363 538,228
---	---	Venture Corporations Act	62,084
<u>80,426,950</u>	<u>75,094,600</u>		<u>88,341,324</u> <u>66,545,639</u>
		Special Reserve Funds	
		Municipal Loan and Building Fund Act	25,000 25,000
			<u>25,000</u> <u>25,000</u>
		Health Services Reserve Account	
		Health Services Tax Act	103,578 95,474
<u>\$ 80,426,950</u>	<u>\$ 75,094,600</u>		<u>\$ 88,469,902</u> <u>\$ 66,666,113</u>

PROVINCE OF NOVA SCOTIA

Statement of Investments
as at March 31, 1997

	Investments	Provisions	Investments less Provisions	
			1997	1996
Deuterium of Canada Act, 1966 Investment of \$2,275,001 in 50,000 shares of capital stock and \$750,000 in Canadian patent rights	\$ 3,025,001	\$ ---	\$ 3,025,001	\$ 3,025,001
Halifax International Containers Limited Investment in 8,000 shares of capital stock at their par value	8,000	---	8,000	8,000
Business Development Corporation Act, R.S. 1989	18,169,600	11,596,282	6,573,318	6,692,157
Industrial Development Act, R.S. 1989	11,556,000	7,217,726	4,338,274	4,020,423
Industrial Estates Limited Act, R.S. 1989 Investment in 2 shares of capital stock at their par value	200	---	200	200
	<u>\$ 32,758,801</u>	<u>\$ 18,814,008</u>	<u>\$ 13,944,793</u>	<u>\$ 13,745,781</u>

Continuity of Investments
for the year ended March 31, 1997

	1997	1996
Balance of Investments - beginning of year	\$ 13,745,781	\$ 13,778,021
<i>Add:</i> Increase in Investment under Industrial Development Act, R.S. 1989	1,556,000	500,000
Increase in Investment under Business Development Corporation Act, R.S. 1989	6,792,000	
(Increase) Decrease in Provision for Doubtful Accounts - Investment under Business Development Corporation Act, R.S. 1989	<u>(6,910,839)</u>	<u>145,465</u>
	15,182,942	14,423,486
<i>Less:</i> Decrease in investment under Business Development Corporation Act, R.S. 1989	---	300,000
Increase in Provision for Doubtful Accounts - Investment under Industrial Development Act, R.S. 1989	<u>1,238,149</u>	<u>377,705</u>
	<u>1,238,149</u>	<u>677,705</u>
Balance of Investments - end of year	<u>\$ 13,944,793</u>	<u>\$ 13,745,781</u>

PROVINCE OF NOVA SCOTIA

**Continuity of Provisions for Doubtful Accounts
for the fiscal year ended March 31, 1997**

	Provision March 31, 1996	Written Off During Year	Increase (Decrease) Provided During Year	Provision March 31, 1997
Accounts Receivable				
Health Services Tax \$	7,673,696.57	\$ 4,443,640.43	\$ 3,051,432.69 (1)	\$ 6,281,488.83
Gasoline Tax	9,173.26	---	(7,740.56) (1)	1,432.70
Tobacco Tax	---	---	---	---
Department of:				
Agriculture and Marketing	35,512.84	---	---	35,512.84
Business and Consumer				
Services	21,131.85	300.00	(539.03) (1)	20,292.82
Education and Culture	829,300.00	18,895.60	---	810,404.40
Environment	36,836.96	36,836.96	1,312.50 (1)	1,312.50
Finance	410,168.97	412,234.98	2,102.01 (1)	36.00
Fisheries	268.85	268.85	---	---
Health	3,640,633.02	---	37,964,594.00 (1)	41,605,227.02
Housing and Municipal				
Affairs	138,364.36	---	18,234.00 (1)	156,598.36
Justice	2,125,406.40	921,568.20	808,676.87 (1)	2,012,515.07
Labour	13,986.64	87,276.59	73,289.95 (1)	---
Natural Resources	151,131.10	30,184.99	66,209.56 (1)	187,155.67
Public Service	554,315.74	696.52	308,561.48 (1)	862,180.70
The Nova Scotia Economic				
Renewal Agency	129,167.29	34,066.17	3,732.85 (1)	98,833.97
Transportation and				
Public Works	253,338.40	---	14,551.86 (1)	267,890.26
	<u>16,022,432.25</u>	<u>5,985,969.29</u>	<u>42,304,418.18</u>	<u>52,340,881.14</u>
Capital Loans				
General Funds -				
Agriculture and Rural				
Credit Act	6,542,914.23	339,670.71	366,632.67 (1)	6,569,876.19
Business Development				
Corporation Act	48,454,935.88	2,203,572.95	2,017,196.48 (1)	48,268,559.41
Fisheries Development Act	923,600.59	41,161.41	46,032.43 (1)	928,471.61
Housing Development Act	3,140,000.00	644,098.32	3,594,098.31 (1)	6,089,999.99
Industrial Development Act	60,380,151.57	3,520,579.00	(4,411,483.39) (1)	52,448,089.18
Venture Corporations Act	2,796,146.67	---	(7,500.00) (1)	2,788,646.67
Health Services Reserve				
Account -				
Health Services Tax Act	1,074,407.37	---	(103,578.16) (2)	970,829.21
	<u>123,312,156.31</u>	<u>6,749,082.39</u>	<u>1,501,398.34</u>	<u>118,064,472.26</u>
Capital Investments				
Business Development				
Corporation Act	4,685,443.00	---	6,910,839.00 (1)	11,596,282.00
Industrial Development Act	5,979,577.00	---	1,238,149.00 (1)	7,217,726.00
	<u>10,665,020.00</u>	<u>---</u>	<u>8,148,988.00</u>	<u>18,814,008.00</u>
	<u>\$ 149,999,608.56</u>	<u>\$ 12,735,051.68</u>	<u>\$ 51,954,804.52</u>	<u>\$ 189,219,361.40</u>

(1) Charged against or credited to Current Account

(2) Charged against or credited to Reserve Fund

PROVINCE OF NOVA SCOTIA

Accounts Payable
as at March 31, 1997

	1997	1996
Government of Canada	\$ 659,605.24	\$ 1,053,423.69
Outstanding Cheques	28,801,596.51	25,548,542.83
Canada Savings Bonds - Employees (Bank)	3,901,717.00	3,803,300.00
	<u>33,362,918.75</u>	<u>30,405,266.52</u>
Deposits and other funds -		
Natural Resources	201,071.92	113,860.22
Housing and Municipal Affairs	2,543,246.76	2,349,721.16
Due to Trust Funds	8,176,760.60	11,197,955.90
Other	9,928,609.80	9,577,518.64
	<u>20,849,689.08</u>	<u>23,239,055.92</u>
Accounts Payable of Various Government Departments -		
Agriculture and Marketing	3,891,857.85	3,440,540.70
Business and Consumer Services	21,268,390.64	---
Community Services	20,842,061.56	24,623,190.92
Education and Culture	22,812,158.80	28,728,518.33
Assistance to Universities	1,650,981.04	2,846,273.55
Environment	2,444,686.33	1,916,611.92
Finance	18,864,878.91	31,363,196.85
Fisheries	403,371.41	822,233.71
Health	82,838,473.78	58,756,939.92
Housing and Municipal Affairs	11,217,506.48	28,247,718.95
Human Resources	130,460.14	174,197.75
Justice	49,828,400.23	49,159,704.63
Labour	690,818.41	503,279.40
Natural Resources	6,467,089.03	5,997,724.08
Public Service	6,177,790.85	7,621,524.16
The Nova Scotia Economic Renewal Agency	25,949,482.23	19,080,861.56
Transportation and Public Works	40,318,237.23	75,950,682.60
	<u>315,796,644.92</u>	<u>339,233,199.03</u>
	<u>\$ 370,009,252.75</u>	<u>\$ 392,877,521.47</u>

PROVINCE OF NOVA SCOTIA

Statement of Debentures and Sinking Funds
as at March 31, 1997

Series	Date of Issue	Date of Maturity	Rate	Amount Outstanding (in thousands)	Sinking Funds
Payable in Canadian Currency					
Canada Pension Plan Investment Fund(A)					
CP18	Nov. 1, 1978	March 1, 1998	9.08	62,852	56,960
CP19	Feb. 1, 1980	March 1, 1999	9.56	68,176	55,007
CP20	Nov. 3, 1980	March 3, 2000	10.59	73,922	53,299
CP21	Oct. 1, 1981	March 2, 2001	12.70	78,277	50,117
CP22	April 1, 1982	March 1, 2002	15.43	96,251	55,360
CP23	June 1, 1983	March 1, 2003	14.67	93,725	47,175
CP24	June 1, 1984	March 1, 2004	11.60	90,597	39,822
CP25	Aug. 1, 1985	Jan. 2, 2005	13.37	85,762	33,103
CP26	April 1, 1986	March 3, 2006	11.48	91,752	30,869
CP27	May 1, 1987	March 2, 2007	9.61	109,641	31,385
CP29	May 1, 1988	March 1, 2008	9.77	81,516	19,865
CP30	June 1, 1989	Dec. 1, 2008	10.08	78,450	15,952
CP31	June 1, 1990	March 1, 2010	9.90	85,218	14,075
CP32	May 1, 1991	Aug. 1, 2010	10.58	46,648	6,158
CP34	May 1, 1992	July 2, 2011	9.92	78,408	8,081
CP35	May 3, 1993	July 2, 2012	9.37	55,808	4,278
				<u>1,277,003</u>	<u>521,506</u>
Other Issues					
8G	April 15, 1982	April 15, 1997	15.500	100,000	93,829
7Q	Jan. 1, 1979-1997	Jan. 1, 1998	5.500	109,394	(C)
8Z	March 1, 1988	March 1, 1998	9.875	150,000	34,729
7S	March 15, 1978	March 15, 1998-2003(a)	9.750	4,500	(B)
7V	March 30, 1979	March 30, 1998-2004(a)	10.500	7,000	(B)
8Q(G)	Dec. 18, 1984	Dec. 18, 2004	12.625	150,000	53,356
7T	Sept. 7, 1978	Sept. 7, 1997-2008(a)	9.750	9,600	(B)
8S(G)	July 3, 1985	July 3, 2009	11.250	150,000	37,335
8U(G)	Dec. 12, 1985	Dec. 12, 2009	10.875	150,000	32,918
9K	Jan. 30, 1992	Jan. 30, 2022	9.600	200,000	8,410
9P(G) (H)	May 9, 1994	May 12, 1999	Floating	390,720	24,963
9S	June 1, 1995	Dec. 1, 2005	8.250	200,000	4,084
9T (G)(H)	Sept. 8, 1995	March 8, 2001	Floating	41,436	827
9U	Jan. 3, 1996	Dec. 29, 2000	7.000	250,000	4,854
9W	Oct. 11, 1996	Oct. 11, 2006	7.250	250,000	42,453
9X(G)(H)	Oct. 30, 1996	May 12, 1999	Floating	304,327	---
9Y	Feb. 18, 1997	Dec. 30, 2002	6.250	250,000	92,584
				<u>2,716,977</u>	<u>430,342</u>

Series	Date of Issue		Date of Maturity		Rate	Amount	Sinking
						Outstanding	Funds
						(in thousands)	
PN-R000001 (G)	Aug.	3, 1995	Aug.	3, 2005	10.000	30,000	604
P2-R000001 (G)	Sept.	12, 1995	Sept.	12, 2005	9.250	30,000	598
P3-R000001 (G)	Oct.	17, 1995	Oct.	17, 2005	8.100	30,000	593
P4-R000001 (G)	Nov.	7, 1995	Nov.	7, 2007	8.450	30,000	591
P5-R000001 (G)	Feb.	2, 1996	Feb.	2, 2008	8.100	50,000	964
P6-R000001 (G)	July	17, 1996	July	31, 2001	8.100	30,000	---
P7-R000001 (G)	Oct.	17, 1996	Nov.	14, 2006	7.000	20,000	---
P8-R000001 (G)	Dec.	11, 1996	June	11, 2003	5.050	20,000	---
P9-R000001 (G)	Dec.	18, 1996	Dec.	18, 2008	6.810	30,000	---
P10-R000001 (G)	Dec.	31, 1996	Dec.	31, 1998	Floating	50,000	---
P11-R000001	Jan.	7, 1997	March	31, 2003	9.375	33,277	---
P12-R000001	Jan.	7, 1997	March	27, 2002	9.250	38,301	---
P13-R000001 (G)	Feb.	13, 1997	Feb.	13, 2009	Floating	10,000	---
						<u>401,578</u>	<u>3,350</u>

Series	Date of Issue	Date of Maturity	Rate	Amount Outstanding	Sinking Funds
Payable in United States Currency(E)					
7P	Dec. 29, 1977	Dec. 29, 1997	8.875 (U.S. \$ 4,400)	6,091	(B)
9D	Nov. 15, 1989	Nov. 15, 2001/2019	8.250 (U.S. \$ 250,000)	346,075	49,421
9F	July 15, 1990	July 15, 2002	9.375 (U.S. \$ 300,000)	415,290	49,487
8L	May 15, 1983	May 15, 2013	11.500 (U.S. \$ 150,000)	207,645	52,061
8V	March 15, 1986	March 15, 2016	8.875 (U.S. \$ 150,000)	207,645	37,315
9B(G)	Feb. 1, 1989	Feb. 1, 2019	9.500 (U.S. \$ 200,000)	276,860	30,107
9C	July 1, 1989	July 1, 2019	8.875 (U.S. \$ 200,000)	276,860	26,259
9E	March 1, 1990	March 1, 2020	9.250 (U.S. \$ 300,000)	415,290	36,971
9J	May 1, 1991	May 1, 2021	9.125 (U.S. \$ 300,000)	415,290	24,454
9L	April 1, 1992	April 1, 2022	8.750 (U.S. \$ 300,000)	415,290	17,436
9M	July 30, 1992	July 30, 2022	8.250 (U.S. \$ 300,000)	415,290	16,573
9N	July 27, 1993	July 27, 2013	7.250 (U.S. \$ 300,000)	415,290	27,940
8C(G)(H)	Oct. 31, 1981	Oct. 31, 2011	16.750 (U.S. \$ 38,204)	52,886	13,154
8P (G)(H)	April 18, 1984	April 18, 2019	11.750 (U.S. \$ 98,736)	136,680	11,185
				<u>4,002,482</u>	<u>392,363</u>
Payable in Other Currencies (F)					
9G	Aug. 3, 1990	Aug. 3, 2000	7.000 (SF 250,000)	240,625	39,391
8C	Oct. 31, 1981	Oct. 31, 2011	16.750 (UK £ 35)	80	---
8P(G)(H)	April 18, 1984	April 18, 2019	11.750 (UK £ Swap to US)	---	---
9A	Nov. 9, 1988	Nov. 9, 1998	5.400 (Yen 30,000,000)	335,700	79,618
9H	Nov. 30, 1990	Nov. 30, 2000	7.700 (Yen 30,000,000)	335,700	56,269
9R	Aug. 25, 1994	Aug. 25, 2014	5.500 (Yen 15,000,000)	167,850	13,948
9Q(G)	Aug. 30, 1994	Aug. 30, 2004	4.900 (Yen 35,000,000)	391,650	15,515
				<u>1,471,605</u>	<u>204,741</u>
				<u>\$ 9,869,645</u>	<u>\$ 1,552,302</u>

The following is a schedule of debentures maturing in each of the next five fiscal years with related sinking funds. Amounts payable in foreign currencies, and related sinking funds invested in foreign currencies, are expressed at the Canadian dollar equivalent at the rates prevailing at the date of the financial statements.

For the Year ending March 31	Maturing Debentures (in thousands)	Related Sinking Funds
1998	430,887	203,853
1999	664,071	230,381
2000	771,519	149,813
2001	948,588	283,610
2002	513,177	209,378

Notes:

(a) Serial maturity

- (A) Debentures held by the Canada Pension Plan Investment Fund are payable 20 years after their respective dates of issue, are not negotiable and not transferable or assignable but are redeemable in whole or in part before maturity at the option of the Minister of Finance of Canada, on six months' prior notice when he deems it necessary in order to meet the requirements of the Canada Pension Plan. Amounts are borrowed monthly and consolidated into one debenture annually.

The Province has established sinking funds for retirement of borrowings from the Canada Pension Plan Investment Fund, with annual payments commencing one year after the consolidation of monthly borrowings.

- (B) Debenture issues to be retired through annual principal payments during the years indicated.
- (C) Issue to be retired from proceeds of a trust established to repay indebtedness to the Province.
- (D) Sinking fund payments normally commence on the first anniversary date of the issue of the debentures, and are generally designed to retire the debt over a 20 to 25 year period, unless the term of the issue is longer. Sinking fund investments consist primarily of debentures of the Province of Nova Scotia and Government of Canada.
- (E) Debentures payable in U.S. currency, totalling U.S. \$2,891,340,000 and related sinking funds of \$283,437,698 are reflected at the rate of exchange in effect at March 31, 1997.
- (F) Canadian dollar equivalent at rates of exchange in effect at March 31, 1997.
- (G) The Province has executed the following swap contracts to convert certain interest payments from a fixed to floating, or floating to floating basis for the fiscal year ended March 31, 1997.

# of Swaps	Principal (in thousands)	Term (years)	Reset Index	Spread	Mark to Market (\$ millions)
17	CDN\$ 862,700	2 to 12	3 mth CAD-BA-CDOR	-0.20 to 3.61	76.49
3	US\$ 700,000	4 to 10	3 mth USD-LIBOR 3 mth CAD-BA-CDOR	no spread -0.54 to -0.55	17.96
3	UK 143,200	2 to 10	6 mth GBP-LIBOR-BBA 6 mth USD-LIBOR-BBA	+2.96 +0.01 to +2.85	7.89
3	YEN 63,000,000	2 to 5	3 mth USD-LIBOR-BBA 6 mth JPY-LIBOR-BBA 3 mth CAD-BA-CDOR	0.18 +0.67 -0.01	18.78

* Mark to Market is an indication of the swap's market value as a March 31, 1997. This represents the estimated gain and is equivalent to the present value of future interest savings based on market conditions as at March 31, 1997.

(H) The Province has also executed several current swap contracts to convert foreign denominated debt into Canadian or United States denominated debt as follows:

Original Currency	Original Principal (\$ thousands)		Current Principal (\$ thousands)
US \$	250,000	CDN \$	345,312
US \$	250,000	CDN \$	345,312
UK	60,000	US \$	98,736
UK	23,215	US \$	38,204
YEN	3,000,000	CDN \$	41,436
YEN	25,000,000	US \$	223,314

PROVINCE OF NOVA SCOTIA

**Continuity of Sinking Funds on Debentures and Public Debt Retirement Funds
for the year ended March 31, 1997**

	1997	1996
Balance - April 1	\$ 1,964,886,556	\$ 1,636,779,718
<i>Add:</i> Instalments paid during the year	166,595,899	157,494,555
Provision for Debt Retirement	---	161,900,500
Interest earned	185,943,734	159,699,642
Increase in unrealized gain in respect of the translation of foreign currency sinking funds	14,125,363	(6,009,746)
	<u>2,331,551,552</u>	<u>2,109,864,669</u>
<i>Deduct:</i> Amounts withdrawn respecting maturing debt	69,709,000	144,978,113
Balance - March 31	\$ <u>2,261,842,552</u>	\$ <u>1,964,886,556</u>

**Continuity of Sinking Funds on Hospital and School debt
for the year ended March 31, 1997**

	1997	1996
Balance - April 1	\$ 102,130,211	\$ 83,420,648
<i>Add:</i> Instalments paid during the year	11,709,115	11,279,468
Interest earned	6,331,702	7,430,095
	<u>120,171,028</u>	<u>102,130,211</u>
<i>Deduct:</i> Amounts withdrawn respecting maturing debt	30,102,795	---
Balance - March 31	\$ <u>90,068,233</u>	\$ <u>102,130,211</u>
Total Sinking Funds Balance - March 31	\$ <u>2,351,910,785</u>	\$ <u>2,067,016,767</u>

Note: During the year the Province made the following payments in respect of the retirement of capital liabilities:

Sinking Fund Instalments	\$ 178,305,014	\$ 168,774,023
Serial Retirement Payments	32,705,712	31,451,771
	<u>211,010,726</u>	<u>200,225,794</u>
<i>Less:</i> Amounts pertaining to borrowings for certain Crown corporations, and Government of Canada loans on behalf of municipalities	503,736	718,831
Charged to Current Account	\$ <u>210,506,990</u>	\$ <u>199,506,963</u>

PROVINCE OF NOVA SCOTIA

**Continuity of Unamortized Discount/Premium on Debentures
for the year ended March 31, 1997**

	1997	1996
Balance - Beginning of year	\$ 61,073,056.12	\$ 68,341,376.18
<i>Add:</i> Discounts/(premiums) respecting Debentures issued or called during the year	11,369,753.37	17,367.40
	<u>72,442,809.49</u>	<u>68,358,743.58</u>
<i>Less:</i> Amortization of Debenture discounts/(premiums) during the year	4,880,825.88	7,285,687.46
Balance - End of year	<u>\$ 67,561,983.61</u>	<u>\$ 61,073,056.12</u>

Note: Discounts and underwriting commissions related to the issuance of debentures are amortized over the terms of the related debenture issues by charges to current expenditures.

PROVINCE OF NOVA SCOTIA

Continuity of Deferred Charge - Unrealized Foreign Exchange
for the year ended March 31, 1997

	1997	1996
Net Loss - Beginning of year	\$ 777,698,503.45	\$ 1,431,819,037.00
<i>Add:</i> (Decrease) Increase in unrealized loss in respect of the translation of foreign currency debt and sinking funds	<u>(247,282,111.93)</u>	<u>(654,120,533.55)</u>
Net Loss - End of year	<u>\$ 530,416,391.52</u>	<u>\$ 777,698,503.45</u>

PROVINCE OF NOVA SCOTIA

**Continuity of Machinery Replacement Reserve
Department of Transportation and Public Works
for the year ended March 31, 1997**

	1997	1996
Balance - Beginning of year	\$ 41,600,568.65	\$ 43,208,293.25
<i>Add:</i> Depreciation charged during the year	<u>3,007,373.01</u>	<u>2,586,799.00</u>
	44,607,941.66	45,795,092.25
 <i>Less:</i> Accumulated depreciation on machinery disposed of during the year	 <u>3,102,019.57</u>	 <u>4,194,523.60</u>
Balance - End of year	<u>\$ 41,505,922.09</u>	<u>\$ 41,600,568.65</u>

PROVINCE OF NOVA SCOTIA

Canada-Nova Scotia (Offshore) Development Fund
Statement of Continuity of Fund Expenditures
for the year ended March 31, 1997

Balance - Beginning of year	\$ 184,991,049
Expenditures during the year	
Industrial Infrastructure -	
The Nova Scotia Economic Renewal Agency	850,791
Industrial Assistance -	
The Nova Scotia Economic Renewal Agency	296,882
Department of Natural Resources	<u>11,694</u>
	<u>1,159,367</u>
Balance - End of Year (Note 2)	<u>\$ 186,150,416</u>

Notes:

1. The Canada-Nova Scotia Oil and Gas Agreement Act established a \$200,000,000 Development Fund to support expenditures incurred by the Province that relate to offshore development. The Act and Agreements pursuant thereto provide that the Government of Canada may disburse up to \$50,000,000 annually to the Province for each of the four fiscal years beginning in the 1984-85 fiscal year. Funds may be paid to the Province pursuant to the approval of projects by the Federal Minister of Energy, Mines and Resources. Funds not disbursed in one fiscal year may be carried forward and disbursed in subsequent fiscal years. The Canada-Nova Scotia Offshore Petroleum Resources Implementation Act continues the fund and provides for the Government of Canada to waive the repayment conditions of the Development Fund.
2. To March 31, 1997, \$186,097,493 had been received from the Government of Canada in respect of approved projects to be financed from the Canada-Nova Scotia (Offshore) Development Fund, with the balance of \$(52,923) being reflected as an account receivable in the financial statements.

At March 31, 1997, the unexpended portion of the \$200,000,000 Development Fund was \$13,849,584.

PROVINCE OF NOVA SCOTIA

Trust Fund Assets and Trust Funds
as at March 31, 1997

<u>Investments</u>	<u>Cash and Short-Term Investments</u>	<u>Accounts Receivable**</u>	<u>Total Trust Fund Assets</u>		<u>Trust Funds</u>
\$ 2,207,041,948.50	\$ 233,715,607.69	\$ 130,088,388.44	\$ 2,570,845,944.63	Nova Scotia Teachers' Pension Fund	\$ 2,570,845,944.63
2,029,498,369.88	220,886,699.03	4,629,939.79	2,255,015,008.70	Public Service Superannuation Fund	2,255,015,008.70
<u>19,251,630.91</u>	<u>578,451.36</u>	<u>11,884,763.92</u>	<u>31,714,846.19</u>	Miscellaneous Trusts	<u>31,714,846.19</u>
<u>\$ 4,255,791,949.29</u>	<u>\$ 455,180,758.08</u>	<u>\$ 146,603,092.15</u>	<u>\$ 4,857,575,799.52</u>		<u>\$ 4,857,575,799.52</u>

** Includes amounts due to and from General Funds.

PROVINCE OF NOVA SCOTIA
Statement of Current Revenue and Net Expenditure
for the fiscal year ended March 31, 1997

	1997		1996
	Estimate	Actual	Actual
REVENUE			
Department of-			
Agriculture and Marketing	\$ 515,000.00	\$ 432,106.38	\$ 557,894.92
Business and Consumer Services	1,141,262,000.00	1,133,991,664.04	---
Community Services	---	---	3,779.55
Education and Culture	---	---	---
Environment	1,339,000.00	1,367,153.00	1,121,501.00
Finance-			
Income Taxes	1,008,212,000.00	1,063,839,229.59	980,909,854.30
Health Services Tax	---	---	746,609,766.17
Tobacco Tax	---	---	67,711,923.49
Gasoline and Diesel Oil Tax	---	---	197,486,310.66
Corporation Capital Tax	15,700,000.00	14,217,075.48	14,409,866.17
Equalization Offshore Revenue Offset	1,602,000.00	1,132,191.23	263,238.37
Preferred Share Dividend	1,548,000.00	3,439,906.35	1,947,083.67
Amusement Tax - Cable TV	---	---	7,790,797.47
Federal-Provincial Fiscal Arrangements			
Equalization Payments	1,147,906,000.00	1,115,690,800.00	1,126,187,000.00
Established Programs, Financing Payments	---	---	364,663,000.00
Canada Health and Social Transfer	529,022,000.00	536,412,000.00	---
Statutory Subsidies	2,307,000.00	2,306,477.88	2,306,477.78
Prior Years' Adjustment	---	52,899,027.00	49,877,591.19
Nova Scotia Gaming Corporation	131,325,000.00	133,387,827.02	121,930,938.25
Nova Scotia Liquor Commission	114,529,000.00	116,104,036.19	113,175,122.79
Interest	44,337,000.00	35,778,032.78	38,482,376.90
Other	300,000.00	40,640.38	351,904.61

Fisheries	669,000.00	708,887.15	45,469.12
Health	---	---	1,265,238.72
Housing and Consumer Affairs	---	---	37,235,682.12
Housing and Municipal Affairs	9,567,000.00	10,061,111.30	9,553,807.74
Justice	1,937,000.00	977,152.53	6,394,049.01
Labour	665,000.00	683,802.77	530,559.38
Natural Resources	9,750,000.00	12,596,444.62	11,830,279.69
Public Service	14,558,000.00	8,355,307.03	9,210,219.07
The Nova Scotia Economic Renewal Agency	1,011,000.00	770,044.38	650,630.81
Transportation and Public Works	---	---	56,046,499.74
Proceeds from Sale of Crown Assets	---	854,979.96	260,756.37
	<u>4,178,061,000.00</u>	<u>4,246,045,897.06</u>	<u>3,968,809,619.06</u>

NET EXPENDITURE

Department of-			
Agriculture and Marketing	32,112,000.00	32,024,449.17	35,766,695.10
Business and Consumer Services	36,716,000.00	35,128,654.56	---
Community Services	539,537,000.00	544,930,975.84	282,444,665.23
Education and Culture	734,212,000.00	737,042,665.71	735,644,649.92
Assistance to Universities	184,015,000.00	183,412,677.32	194,761,973.86
Environment	16,463,000.00	16,653,576.77	17,034,479.73
Finance	9,342,000.00	8,781,719.94	14,140,161.45
Debt Charges	896,871,000.00	811,081,509.63	896,588,180.24
Fisheries	6,290,000.00	6,198,483.09	7,171,677.77
Furlough and Restructuring Costs	38,600,000.00	35,627,133.38	45,585,290.72
Health	1,143,619,000.00	1,267,250,687.94	1,213,106,259.11
Housing and Consumer Affairs	---	---	22,510,185.43
Housing and Municipal Affairs	75,449,000.00	75,168,302.16	---
Human Resources	4,051,000.00	4,028,725.23	4,006,152.47
Justice	73,754,000.00	89,117,143.86	102,963,140.90
Labour	15,613,000.00	14,676,511.14	7,075,780.29
Municipal Affairs	---	---	56,538,611.66
Natural Resources	53,656,000.00	53,681,188.56	51,275,856.04
Public Service	47,476,000.00	45,729,472.37	71,165,642.64
Supply and Services	---	---	50,117,768.52
The Nova Scotia Economic Renewal Agency	69,560,000.00	67,056,580.31	54,131,558.89
Transportation and Public Works	160,649,000.00	166,604,434.02	106,419,627.81
	<u>4,137,985,000.00</u>	<u>4,194,194,891.00</u>	<u>3,968,448,357.78</u>
Excess (Deficiency) of Revenues over			
Net Current Operating Expenditure	<u>\$ 40,076,000.00</u>	<u>\$ 51,851,006.06</u>	<u>\$ 361,261.28</u>

PROVINCE OF NOVA SCOTIA

Comparison of Estimated and Actual Revenue
for the fiscal year ended March 31, 1997

	<u>Estimate</u>	<u>Actual</u>
Department of-		
Agriculture and Marketing-		
General Agriculture	\$ 15,000.00	10,699
Nova Scotia Farm Loan Board	500,000.00	421,407.87
	<u>515,000.00</u>	<u>432,106.38</u>
Business and Consumer Services		
Amusement Tax - Cable TV	\$ 8,000,000.00	8,112,493.25
Gasoline and Diesel Oil Tax	199,400,000.00	198,667,685.45
Health Services Tax	749,200,000.00	739,850,926.48
Tobacco Tax	85,000,000.00	86,343,750.03
Registration Services	1,245,000.00	1,258,426.57
Condominium Property Act	20,000.00	2,578.60
Licenses - Insurance Companies	375,000.00	357,500.00
Licenses - Regulated Industries	338,000.00	438,678.74
Licenses - Trust and Loan Companies	310,000.00	267,000.00
Tax on Fire Insurance Premiums	1,900,000.00	1,926,998.85
Tax on Insurance Premiums	34,100,000.00	33,550,511.19
Companies Branch	4,024,000.00	4,592,431.41
Certificates of Registration	2,500,000.00	2,368,355.61
Commercial Registrations	18,500,000.00	19,021,664.38
Dealers' Licenses and Plates	300,000.00	313,638.82
Drivers' Licenses	6,800,000.00	6,783,071.35
Fines	1,900,000.00	2,021,615.71
Government of Canada	150,000.00	177,842.00
Miscellaneous Registrations	2,700,000.00	2,697,994.33
Miscellaneous Revenue	4,500,000.00	4,396,980.16
Motor Vehicle Inspection	900,000.00	853,923.25
Passenger Registrations	19,100,000.00	19,987,597.86
	<u>1,141,262,000.00</u>	<u>1,133,991,664.04</u>

Environment-		
Licenses and Permits	1,339,000.00	1,367,153.00
Finance-		
Individual Income Tax	902,012,000.00	951,529,229.59
Corporation Income Tax	106,200,000.00	112,310,000.00
Corporation Capital Tax	15,700,000.00	14,217,075.48
Federal-Provincial Fiscal Arrangements-		
Equalization Payments	1,147,906,000.00	1,115,690,800.00
Canada Health and Social Transfer	529,022,000.00	536,412,000.00
Statutory Subsidies	2,307,000.00	2,306,477.88
Prior Years' Adjustments	---	52,899,027.00
Nova Scotia Gaming Corporation Profits	131,325,000.00	133,387,827.02
Nova Scotia Liquor Commission Profits	114,529,000.00	116,104,036.19
Interest	44,337,000.00	35,778,032.78
Preferred Share Dividend	1,548,000.00	3,439,906.35
Equalization Offshore Revenue Offset	1,602,000.00	1,132,191.23
Other-		
Miscellaneous	300,000.00	40,640.38
	<u>2,996,788,000.00</u>	<u>3,075,247,243.90</u>
Fisheries-		
Aquaculture Leases and Licenses	29,000.00	40,114.40
Licenses and Royalties (Sea Plant Harvesting)	40,000.00	12,472.75
Sport Fishery Licence	600,000.00	656,300.00
	<u>669,000.00</u>	<u>708,887.15</u>
	Estimate	Actual
Housing and Municipal Affairs-		
Licenses - Municipal Auditors	---	2,325.00
Registry of Deeds	9,567,000.00	10,058,786.30
	<u>9,567,000.00</u>	<u>10,061,111.30</u>
Justice-		
Employees' Rent	8,000.00	4,199.78
Fines - Criminal Prosecutions	1,861,000.00	916,130.40
Fines - Young Offenders Act	8,000.00	5,896.98
Miscellaneous	60,000.00	50,925.37
	<u>1,937,000.00</u>	<u>977,152.53</u>

Labour-		
Boiler Safety Inspection	400,000.00	399,347.46
Elevators and Lifts Act	200,000.00	199,015.60
Mine Examination	2,000.00	2,119.26
Permits-Blasters	2,000.00	7,040.00
Permits-Fire Marshal Division	22,000.00	34,133.45
Stationary Engineers Act	39,000.00	42,147.00
	<u>665,000.00</u>	<u>683,802.77</u>
Natural Resources-		
Exploration Claims	162,000.00	202,075.00
Fines and Forfeitures	45,000.00	83,707.32
Game and Fishing Licenses	1,430,000.00	1,542,232.89
Gypsum Tax	866,000.00	912,930.66
Leases and Grants	272,000.00	300,248.41
Rentals - Minerals	126,000.00	71,276.64
Rentals - Petroleum Licenses	20,000.00	8,951.04
Royalties - Coal	756,000.00	1,027,555.68
Royalties - Other	288,000.00	301,614.58
Royalties - Petroleum	2,400,000.00	3,473,159.62
Timber and Fuelwood Licenses	3,310,000.00	4,620,979.33
Miscellaneous	75,000.00	51,713.45
	<u>9,750,000.00</u>	<u>12,596,444.62</u>
Public Service-		
Amusement Taxes	2,725,000.00	2,755,988.66
Licenses and Fees - Nova Scotia Gaming Control Commission	8,721,000.00	2,168,749.61
Motor Carrier Act	---	33,041.97
Nova Scotia Boxing Authority	2,000.00	---
Nova Scotia Securities Commission	2,781,000.00	3,110,205.08
Nova Scotia Utility and Review Board	29,000.00	---
Parimutuel Tax	300,000.00	287,321.71
	<u>14,558,000.00</u>	<u>8,355,307.03</u>
The Nova Scotia Economic Renewal Agency -		
Guarantee Fees	1,010,000.00	716,237.62
Lease Rentals	1,000.00	53,806.76
	<u>1,011,000.00</u>	<u>770,044.38</u>
Proceeds from Sale of Crown Assets	---	854,979.96
Total Current Revenue	<u>\$ 4,178,061,000.00</u>	<u>\$ 4,246,045,897.06</u>

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PROVINCE OF NOVA SCOTIA
Comparison of Authorized and Actual Expenditures
for the fiscal year ended March 31, 1997

Department of -	Current Estimate	Capital Estimate	Orders-in Council	Total Authority	Current Actuals	Capital Actuals	Total Actuals	Favourable Variance from Authority
Agriculture and Marketing	\$ 32,112,000.00	\$ 400,000.00	\$ (91,000.00)	\$ 32,421,000.00	\$ 32,024,449.17	\$ 297,482.34	\$ 32,321,931.51	\$ 99,068.49
Business and Consumer Services	36,716,000.00	---	(546,000.00)	36,170,000.00	35,128,654.56	---	35,128,654.56	1,041,345.44
Community Services	539,537,000.00	---	5,503,000.00	545,040,000.00	544,930,975.84	---	544,930,975.84	109,024.16
Education and Culture	734,212,000.00	34,508,000.00	15,336,000.00	784,056,000.00	737,042,665.71	46,801,490.61	783,844,156.32	211,843.68
Assistance to Universities	184,015,000.00	4,819,000.00	---	188,834,000.00	183,412,677.32	4,419,183.90	187,831,861.22	1,002,138.78
Environment	16,463,000.00	2,370,000.00	32,000.00	18,865,000.00	16,653,576.77	1,945,042.12	18,598,618.89	266,381.11
Finance	9,342,000.00	---	243,000.00	9,585,000.00	8,781,719.94	---	8,781,719.94	803,280.06
Debt Charges	896,871,000.00	---	---	896,871,000.00	811,081,509.63	---	811,081,509.63	85,789,490.37
Fisheries	6,290,000.00	---	(86,000.00)	6,204,000.00	6,198,483.09	---	6,198,483.09	5,516.91
Furlough and Restructuring Costs	38,600,000.00	---	---	38,600,000.00	35,627,133.38	---	35,627,133.38	2,972,866.62
Health	1,143,619,000.00	18,560,000.00	124,115,000.00 (A)	1,286,294,000.00	1,267,250,687.94	18,974,902.37	1,286,225,590.31	68,409.69
Housing and Municipal Affairs	75,449,000.00	15,000,000.00	3,175,000.00	93,624,000.00	75,168,302.16	18,143,603.25	93,311,905.41	312,094.59
Human Resources	4,051,000.00	---	(7,000.00)	4,044,000.00	4,028,725.23	---	4,028,725.23	15,274.77
Justice	73,754,000.00	548,000.00	15,364,000.00 (A)	89,666,000.00	89,117,143.86	504,097.21	89,621,241.07	44,758.93
Labour	15,613,000.00	---	(30,000.00)	15,583,000.00	14,676,511.14	---	14,676,511.14	906,488.86
Natural Resources	53,656,000.00	200,000.00	220,000.00	54,076,000.00	53,681,188.56	(3,800.34)	53,677,388.22	398,611.78
Public Service								
Communications Nova Scotia	1,866,000.00	---	(3,000.00)	1,863,000.00	1,272,486.36	---	1,272,486.36	590,513.64
Executive Council	5,464,000.00	---	---	5,464,000.00	4,727,857.39	---	4,727,857.39	736,142.61
Government Contributions to								
Benefit Plans	3,633,000.00	---	---	3,633,000.00	3,626,180.77	---	3,626,180.77	6,819.23
Human Rights Commission	1,248,000.00	---	202,317.00	1,450,317.00	1,450,316.88	---	1,450,316.88	0.12
Legislative Services	12,089,000.00	---	---	12,089,000.00	11,663,652.72	---	11,663,652.72	425,347.28
Nova Scotia Advisory Council								
on the Status of Women	476,000.00	---	---	476,000.00	448,540.78	---	448,540.78	27,459.22
Nova Scotia Boxing Authority	63,000.00	---	---	63,000.00	32,558.81	---	32,558.81	30,441.19
Nova Scotia Gaming Control								
Commission	1,000.00	---	---	1,000.00	---	---	---	1,000.00
Nova Scotia Police Commission	270,000.00	---	---	270,000.00	237,521.01	---	237,521.01	32,478.99
Nova Scotia Provincial Health								
Commission	---	---	---	---	(328.00)	---	(328.00)	328.00
Nova Scotia Securities								
Commission	907,000.00	---	---	907,000.00	841,251.79	---	841,251.79	65,748.21

Nova Scotia Sport and Recreation Commission	4,036,000.00	2,029,000.00	---	6,065,000.00	4,014,327.22	2,028,025.80	6,042,353.02	22,646.98
Nova Scotia Utility and Review Board	2,078,000.00	---	---	2,078,000.00	2,078,000.00	---	2,078,000.00	---
Office of the Auditor General	1,691,000.00	---	---	1,691,000.00	1,625,855.03	---	1,625,855.03	65,144.97
Office of the Ombudsman	306,000.00	---	18,864.00	324,864.00	324,863.17	---	324,863.17	0.83
Public Inquiry, Westray Mine	350,000.00	---	750,000.00	1,100,000.00	1,078,782.91	---	1,078,782.91	21,217.09
Public Prosecution Service	8,550,000.00	---	---	8,550,000.00	8,462,505.29	---	8,462,505.29	87,494.71
Technology and Science Secretariat	4,244,000.00	---	(7,000.00)	4,237,000.00	3,219,900.81	---	3,219,900.81	1,017,099.19
Women's Directorate	204,000.00	---	---	204,000.00	200,828.68	---	200,828.68	3,171.32
The Nova Scotia Economic Renewal Agency	69,560,000.00	1,000.00	371,000.00	69,932,000.00	67,056,580.31	---	67,056,580.31	2,875,419.69
Transportation and Public Works	160,649,000.00	80,740,000.00	(276,000.00)	241,113,000.00	166,604,434.02	74,331,941.84	240,936,375.86	176,624.14
Statutory Item (No Vote Required)								
Department of -								
Transportation and Public Works	---	---	3,007,373.01 (B)	3,007,373.01	---	3,007,373.01	3,007,373.01	---
	<u>4,137,985,000.00</u>	<u>159,175,000.00</u>	<u>167,291,554.01</u>	<u>4,464,451,554.01</u>	<u>4,193,770,520.25</u>	<u>170,449,342.11</u>	<u>4,364,219,862.36</u>	<u>100,231,691.65</u>
Capital Advances								
Advances to the Government of Canada under the Canada-Nova Scotia Crop Re-Insurance Agreement								
	---	45,000.00	---	45,000.00	---	22,208.25	22,208.25	22,791.75
	<u>\$ 4,137,985,000.00</u>	<u>\$ 159,220,000.00</u>	<u>\$ 167,291,554.01</u>	<u>\$ 4,464,496,554.01</u>	<u>\$ 4,193,770,520.25</u>	<u>\$ 170,471,550.36</u>	<u>\$ 4,364,242,070.61</u>	<u>\$ 100,254,483.40</u>

Notes:

(A) Resolution 134, April 28, 1997

(B) Machinery purchases of \$3,007,373.01 are considered to be provided through depreciation charges in the Department of Transportation and Public Works in the year. Actual purchases totaled \$7,172,133.25.

PROVINCE OF NOVA SCOTIA
Details of Net Capital Expenditures
for the fiscal year ended March 31, 1997

Department and Item	Expenditure	Recovery	Net
OTHER -			
Agriculture and Marketing	\$ 297,482.34	\$ ---	\$ 297,482.34
Environment	621,276.24	---	621,276.24
Justice	504,097.21	---	504,097.21
Natural Resources	164,257.19	168,057.53	(3,800.34)
TOTAL OTHER	<u>1,587,112.98</u>	<u>168,057.53</u>	<u>1,419,055.45</u>
CAPITAL GRANTS -			
Education	47,954,101.77	1,152,611.16	46,801,490.61
Assistance To Universities	4,419,183.90	---	4,419,183.90
Environment	1,323,765.88	---	1,323,765.88
Health	18,974,902.37	---	18,974,902.37
Housing and Municipal Affairs	31,317,782.96	13,174,179.71	18,143,603.25
Public Service	2,028,025.80	---	2,028,025.80
Transportation and Public Works	85,393.88	(8,770.00)	94,163.88
TOTAL CAPITAL GRANTS	<u>106,103,156.56</u>	<u>14,318,020.87</u>	<u>91,785,135.69</u>
TRANSPORTATION AND PUBLIC WORKS -			
Department Program	100,415,005.62	39,697,317.43	60,717,688.19
Machinery Purchases	4,164,760.24	---	4,164,760.24
TOTAL TRANSPORTATION AND PUBLIC WORKS	<u>104,579,765.86</u>	<u>39,697,317.43</u>	<u>64,882,448.43</u>
PUBLIC WORKS AND SPECIAL PROJECTS -			
Agriculture and Marketing	340,203.41	---	340,203.41
Community Services	58,180.14	---	58,180.14
Education	2,158,335.74	---	2,158,335.74

Fisheries	218.54	---	218.54
Health	373,217.89	---	373,217.89
Justice	57,784.67	---	57,784.67
Natural Resources	38,797.42	---	38,797.42
The Nova Scotia Economic Renewal Agency	407,945.76	---	407,945.76
Transportation and Public Works	5,920,645.96	---	5,920,645.96
TOTAL PUBLIC WORKS AND SPECIAL PROJECTS	<u>9,355,329.53</u>	---	<u>9,355,329.53</u>
HIGHWAYS MACHINERY-DEPRECIATION CHARGES	<u>3,007,373.01</u>		<u>3,007,373.01</u>
TOTAL CAPITAL EXPENDITURES	<u>\$ 224,632,737.94</u>	<u>\$ 54,183,395.83</u>	<u>\$ 170,449,342.11</u>

PROVINCE OF NOVA SCOTIA
Statement of Borrowing Powers
as at March 31, 1997
Authority Created by Chapter 1, 1994, Chapter 1, 1995 and Chapter 1, 1996

	Amount of Issue	Commissions and Discounts	Proceeds	Authority		
				Chapter 1 1994	Chapter 1 1995	Chapter 1 1996
Authority				\$ 1,500,000,000	\$ 1,000,000,000	\$ 500,000,000
Authority used in prior years:						
Year ended March 31, 1996				856,994,665	---	---
Balance of Authority - March 31, 1996				643,005,335	1,000,000,000	500,000,000
Year Ended March 31, 1997						
Debenture Series 7Q (Note A)	\$ 9,004,991	\$ ---	\$ 9,004,991	---	---	---
Debenture Series P6	\$ 30,000,000	\$ ---	\$ 30,000,000	30,000,000	---	---
Debenture Series P7	\$ 20,000,000	\$ ---	\$ 20,000,000	20,000,000	---	---
Debenture Series P8	\$ 20,000,000	\$ ---	\$ 20,000,000	20,000,000	---	---
Debenture Series P9	\$ 30,000,000	\$ ---	\$ 30,000,000	30,000,000	---	---
Debenture Series P10	\$ 50,000,000	\$ ---	\$ 50,000,000	50,000,000	---	---
Debenture Series P11	\$ 33,277,000	\$ 66,554	\$ 33,210,446	33,277,000	---	---
Debenture Series P12	\$ 38,301,000	\$ 76,602	\$ 38,224,398	38,301,000	---	---
Debenture Series P13	\$ 10,000,000	\$ ---	\$ 10,000,000	10,000,000	---	---
Debenture Series 9W	\$ 250,000,000	\$ 2,602,500	\$ 247,397,500	250,000,000	---	---
Debenture Series 9X (US\$ 223,313,979.46)	\$ 304,326,837	\$ ---	\$ 304,326,837	161,427,335	142,899,502	---
Debenture Series 9Y	\$ 250,000,000	\$ 1,875,000	\$ 248,125,000	---	250,000,000	---
				643,005,335	392,899,502	---
Balance of Authority - March 31, 1997				\$ ---	\$ 607,100,498	\$ 500,000,000
Additional Borrowing Powers:						
Cape Breton Industrial Assistance Act - Chapter 60, R.S.N.S. 1989	\$	10,000,000				
Housing Act - Chapter 211, R.S.N.S. 1989		No Limit				
Housing Development Corporation Act - Chapter 213, R.S.N.S. 1989		No Limit				
Municipal Finance Corporation Act - Chapter 301, R.S.N.S. 1989		No Limit				
National Park in Nova Scotia - Chapter 11, 1935		No Limit				
Sydney Steel Corporation Act - Chapter 456, R.S.N.S. 1989		No Limit				

Notes:

(A) By Order of the Lieutenant Governor in Council (No. 77-1525 dated December 13, 1977), Debentures, Series 7Q, in the amount of \$118,904,237 were authorized and charged to Chapters 1, 1974, 1975, and 1976. By agreement, the proceeds of this debenture issue will be realized over a twenty-year period with debentures being issued quarter-yearly beginning April 1, 1978. At March 31, 1997, \$109,393,662 were issued and outstanding and the proceeds realized.

PROVINCE OF NOVA SCOTIA
Statement of Comparative Current Revenue and Expenditures
for the fiscal years ended March 31,

												Compound Growth Rates			Ten-year Total	% of Totals
	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1988-92	1993-97	1988-97			
Revenue																
Provincial Sources																
Income Taxes	\$ 779,926	\$ 843,380	\$ 923,749	\$ 1,013,700	\$ 1,024,232	\$ 981,766	\$ 1,012,355	\$ 998,553	\$ 980,910	\$ 1,063,839	7.0%	2.0%	3.5%	\$ 9,622,410	26.9%	
Sales Taxes	757,723	809,737	870,088	906,834	859,814	886,083	955,357	991,590	1,012,071	1,025,995	3.2%	3.7%	3.4%	9,075,292	25.4%	
Interest Revenue (1)	73,530	79,179	92,378	68,553	68,924	73,141	47,514	54,465	38,481	35,567	-1.6%	-16.5%	-7.8%	631,732	1.8%	
Liquor Commission	84,056	80,759	83,349	73,800	79,940	75,445	71,746	67,205	113,175	116,104	-1.2%	11.4%	3.7%	845,579	2.4%	
Gaming Revenue	25,486	29,888	26,957	26,874	39,025	74,448	72,376	92,768	121,931	133,388	11.2%	15.7%	20.2%	643,141	1.8%	
Other Provincial Revenue	119,493	125,131	144,731	168,840	175,990	186,848	193,624	177,932	158,947	162,990	10.2%	-3.4%	3.5%	1,614,526	4.5%	
Proceeds from Sale of Crown Assets	602	13,231	396	524	2,716	1,709	796	2,004	261	854	45.7%	-15.9%	4.0%	23,093	0.1%	
Federal Sources																
Equalization	702,749	795,821	865,194	931,600	900,162	869,175	872,254	1,015,774	1,126,187	1,115,691	6.4%	6.4%	5.3%	9,194,607	25.7%	
Established Programs Financing	364,075	365,498	367,606	344,298	348,048	369,866	362,057	372,402	364,663	---	-1.1%	-0.4%	0.0%	3,258,513	9.1%	
Canada Health and Social Transfer	---	---	---	---	---	---	---	---	---	536,412	---	---	---	536,412	1.5%	
Revenue Stabilization Claim	---	---	---	---	---	55,257	---	---	---	---	---	---	---	55,257	0.2%	
Prior Years' Adjustments Federal /Provincial Fiscal Arrangements	3,805	53,594	24,146	16,343	32,109	(63,741)	(41,927)	88,093	49,878	52,899	70.4%	---	34.0%	215,199	0.6%	
Other Federal Payments	2,251	2,251	2,251	2,251	2,251	2,293	2,306	2,077	2,306	2,306	---	0.1%	0.3%	22,543	0.1%	
	<u>2,913,696</u>	<u>3,198,469</u>	<u>3,400,845</u>	<u>3,553,617</u>	<u>3,533,211</u>	<u>3,512,290</u>	<u>3,548,458</u>	<u>3,862,863</u>	<u>3,968,810</u>	<u>4,246,045</u>	4.9%	4.9%	4.3%	<u>35,738,304</u>	<u>100.0%</u>	
Expenditures																
General Government	82,253	110,882	106,049	109,633	130,849	113,693	114,089	117,009	102,671	64,909	12.3%	-13.1%	-2.6%	1,052,037	2.8%	
Public Protection	73,182	80,150	90,158	100,772	93,047	107,629	105,417	100,181	145,378	134,034	6.2%	5.6%	7.0%	1,029,948	2.8%	
Transportation and Communications	127,192	136,981	146,367	140,156	142,965	132,621	129,208	121,648	108,749	183,595	3.0%	8.5%	4.2%	1,369,482	3.7%	
Resource Development (2)	159,973	176,158	195,916	184,333	173,056	187,479	145,090	135,064	148,170	148,201	2.0%	-5.7%	-0.8%	1,653,440	4.4%	
Health	909,139	987,791	1,071,323	1,134,593	1,207,357	1,280,932	1,214,839	1,177,406	1,223,406	1,287,054	7.3%	0.1%	3.9%	11,493,840	30.9%	
Social Services	194,693	219,328	247,483	275,790	302,635	242,072	276,533	276,412	301,121	547,417	11.7%	22.6%	12.2%	2,883,484	7.8%	
Education	823,614	881,124	928,382	977,331	1,002,426	1,000,630	978,684	957,520	915,897	900,378	5.0%	-2.6%	1.0%	9,365,986	25.2%	
Culture and Recreation	29,570	27,415	38,482	37,300	39,610	39,158	36,823	38,490	34,278	33,834	7.6%	-3.6%	1.5%	354,960	1.0%	
Debt Charges	565,842	560,126	570,871	671,702	694,961	803,577	865,378	911,626	896,588	811,082	5.3%	0.2%	4.1%	7,351,753	19.8%	
Municipal Affairs	62,972	66,319	67,018	67,331	65,414	74,066	65,844	68,273	46,605	48,064	1.0%	-10.2%	-3.0%	631,906	1.7%	
Furlough/Restructuring	---	---	---	---	---	---	(41,103)	41,975	45,585	35,627	---	---	---	82,084	---	
	<u>3,028,430</u>	<u>3,246,274</u>	<u>3,462,049</u>	<u>3,698,941</u>	<u>3,852,320</u>	<u>3,981,857</u>	<u>3,890,802</u>	<u>3,945,604</u>	<u>3,968,448</u>	<u>4,194,195</u>	6.2%	1.3%	3.7%	<u>37,186,836</u>	<u>100.0%</u>	
Current Account																
Deficit (Surplus)	\$ <u>114,734</u>	\$ <u>47,805</u>	\$ <u>61,204</u>	\$ <u>145,324</u>	\$ <u>319,109</u>	\$ <u>469,567</u>	\$ <u>342,344</u>	\$ <u>82,741</u>	\$ <u>(362)</u>	\$ <u>(51,850)</u>	29.1%	100.0%	100.0%	<u>1,448,532</u>	3.9%	

- (1) Commencing in the year ended March 31, 1990, the Province recorded accrued interest revenue on the outstanding advances of the various Resource Development Loan Funds.
- (2) Commencing in the year ended March 31, 1997, proceeds from the Sale of Crown Assets are recorded as revenue. Sale of Crown Assets was previously netted against Capital Expenditure. Prior years have been restated.
- (3) In 1996-97, federal funding provided under the new Canada Health and Social Transfer program is included in Ordinary Revenue.
- (A) % of total expenditure.

PROVINCE OF NOVA SCOTIA

Statement of Comparative Net Capital Expenditures
for the years ended March 31,

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	Accumulated Expenditures			% of 10 yr. Total	
											1988-92	1993-97	1988-97		
Net Capital Expenditure															
General Government	\$ 4,234	\$ 28,906	\$ 10,420	\$ 4,759	\$ 6,725	\$ 9,219	\$ 5,654	\$ 1,982	\$ 11,623	\$ ---	\$ 55,044	\$ 28,478	\$ 83,522	3.1%	
Public Protection	10,606	2,803	2,576	1,634	3,027	4,375	3,672	4,281	7,944	1,455	20,646	21,727	42,373	1.6%	
Transportation and Communications	93,326	118,722	134,801	99,651	99,311	156,151	132,062	97,420	132,022	70,990	545,811	588,645	1,134,456	41.9%	
Resource Development	41,218	60,555	76,325	45,774	37,688	32,895	32,620	18,700	15,158	988	261,560	100,361	361,921	13.4%	
Health	25,933	34,421	37,580	48,991	41,745	45,037	74,469	64,166	49,820	19,348	188,670	252,840	441,510	16.3%	
Social Services	369	318	191	203	439	549	314	36	367	58	1,520	1,324	2,844	0.1%	
Education	14,116	14,658	21,201	12,525	11,135	14,494	39,742	32,364	42,093	52,922	73,635	181,615	255,250	9.4%	
Culture and Recreation	3,764	10,392	22,139	7,159	6,502	6,979	6,161	3,153	3,145	2,485	49,956	21,923	71,879	2.7%	
Municipal Affairs	25,673	27,114	30,585	31,062	28,348	28,016	30,677	40,098	55,692	19,196	142,782	173,679	316,461	11.7%	
Total Net Capital Expenditure	<u>\$ 219,239</u>	<u>\$ 297,889</u>	<u>\$ 335,818</u>	<u>\$ 251,758</u>	<u>\$ 234,920</u>	<u>\$ 297,715</u>	<u>\$ 325,371</u>	<u>\$ 262,200</u>	<u>\$ 317,864</u>	<u>\$ 167,442</u>	<u>\$ 1,339,624</u>	<u>\$ 1,370,592</u>	<u>\$ 2,710,216</u>	<u>100.0%</u>	

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL SUMMARY

The Honourable J. William Gillis
Minister of Finance,
Province of Nova Scotia,
Halifax, Nova Scotia.

Sir:

We have audited the financial statements of the Province of Nova Scotia for the years ended March 31, 1997 and 1996 (collectively referred to as "the financial statements" of the Province). The financial statements are included in the Public Accounts of the Province, together with our auditors' report thereon dated June 12, 1997.

In addition, we have examined the accompanying consolidated financial summary of the Province for the years ended March 31, 1997 and 1996. The consolidated financial summary is the responsibility of the Province. Our responsibility is to express an opinion on the summary based on our examination. As disclosed in Note 1, the consolidated financial summary has been prepared for the purpose of illustrating the entity theory of financial reporting and is not a required part of the Province's financial statements.

In our opinion, the additional information provided by the consolidated financial summary is fairly presented, in all material respects, in accordance with the basis of accounting described in Note 1, and when considered in relation to the Province's financial statements taken as a whole.

DELOITTE & TOUCHE
Chartered Accountants

Toronto, Ontario
June 12, 1997

Province of Nova Scotia
Summary Statement of Consolidated Financial Position
as at March 31, 1997
(in thousands)

	Province of Nova Scotia (non- consolidated)	Nova Scotia Housing Development Corporation	Nova Scotia Housing Development Fund	Nova Scotia Municipal Finance Corporation	Nova Scotia Power Finance Corporation	Other	1997	1996
Assets								
Cash and short-term investments	\$ 113,365	\$ ---	\$ ---	\$ 5,746	\$ ---	\$ ---	\$ 119,111	\$ 254,192
Accounts receivable and advances	623,911	209	7,998	18,856	---	546	651,520	531,750
Notes receivable - Nova Scotia Power Inc.	---	---	---	---	8,400	---	8,400	43,700
Loans and investments	560,835	27,107	(51,324)	543,484	---	---	1,080,102	1,130,367
Equity interest in government organizations	---	---	---	---	---	19,660	19,660	3,365
Unamortized foreign exchange translation gains and discount on debentures	597,978	---	---	58	---	15	598,051	838,854
	<u>\$ 1,896,089</u>	<u>\$ 27,316</u>	<u>\$ (43,326)</u>	<u>\$ 568,144</u>	<u>\$ 8,400</u>	<u>\$ 20,221</u>	<u>\$ 2,476,844</u>	<u>\$ 2,802,228</u>
Liabilities								
Bank advances and short-term borrowings	\$ 395,132	\$ 7,636	\$ ---	\$ ---	\$ ---	\$ 765	\$ 403,533	\$ 436,046
Accounts payable	370,009	325	859	12	---	448	371,653	394,324
Federal/Provincial Fiscal Arrangements	351,035	---	---	---	---	---	351,035	153,761
Accrued interest	255,479	---	---	18,975	2,700	---	277,154	277,731
Unmatured debt	7,766,817	107,704	37,782	543,205	5,700	(13)	8,461,195	8,948,647
Pension and retirement obligations	866,749	---	---	---	---	---	866,749	996,780
Deficiency in net assets of certain Crown Corporations	463,911	---	---	---	---	---	463,911	473,067
	<u>10,469,132</u>	<u>115,665</u>	<u>38,641</u>	<u>562,192</u>	<u>8,400</u>	<u>1,200</u>	<u>11,195,230</u>	<u>11,680,356</u>
Net Direct Debt	<u>(8,573,043)</u>	<u>(88,349)</u>	<u>(81,967)</u>	<u>5,952</u>	<u>---</u>	<u>19,021</u>	<u>(8,718,386)</u>	<u>(8,878,128)</u>
	<u>\$ 1,896,089</u>	<u>\$ 27,316</u>	<u>\$ (43,326)</u>	<u>\$ 568,144</u>	<u>\$ 8,400</u>	<u>\$ 20,221</u>	<u>\$ 2,476,844</u>	<u>\$ 2,802,228</u>
Trust Funds under Administration	<u>\$ 4,857,576</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 15,174</u>	<u>\$ 4,872,750</u>	<u>\$ 4,284,863</u>

Contingent liabilities (Note 2)

Province of Nova Scotia
Summary Statement of Consolidated Revenue and Expenditures
for the fiscal year ended March 31, 1997
(in thousands)

	Province of Nova Scotia (non- consolidated)	Nova Scotia Housing Development Corporation	Nova Scotia Housing Development Fund	Nova Scotia Municipal Finance Corporation	Nova Scotia Power Finance Corporation	Other	1997	1996
Revenue (Schedule 1)	\$ 4,246,045	\$ 11,497	\$ 445	\$ 58,261	\$ 5,700	\$ (112,898)	\$ 4,209,050	\$ 3,953,236
Program Expenditures (Schedule 2)	<u>3,383,113</u>	<u>119</u>	<u>---</u>	<u>165</u>	<u>---</u>	<u>1,923</u>	<u>3,385,320</u>	<u>3,074,249</u>
Excess of Revenue over Program Expenditures	862,932	11,378	445	58,096	5,700	(114,821)	823,730	878,987
Debt Servicing Costs	<u>811,082</u>	<u>10,245</u>	<u>---</u>	<u>58,290</u>	<u>5,700</u>	<u>316</u>	<u>885,633</u>	<u>990,555</u>
Current Account Surplus (Deficit)	51,850	1,133	445	(194)	---	(115,137)	(61,903)	(111,568)
Net Capital Expenditures	167,442	2	(589)	---	---	1,090	167,945	319,752
Sinking Fund Earnings	<u>123,868</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>123,868</u>	<u>116,400</u>
Surplus (Deficit)	8,276	1,131	1,034	(194)	---	(116,227)	(105,980)	(314,920)
Equity Interest in Net Income of Government Enterprises	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>116,074</u>	<u>116,074</u>	<u>113,418</u>
Surplus (Deficit)	<u>\$ 8,276</u>	<u>\$ 1,131</u>	<u>\$ 1,034</u>	<u>\$ (194)</u>	<u>\$ ---</u>	<u>\$ (153)</u>	<u>\$ 10,094</u>	<u>\$ (201,502)</u>

Province of Nova Scotia
Summary Statement of Consolidated Net Direct Debt
for the fiscal year ended March 31, 1997
(in thousands)

	Province of Nova Scotia (non- consolidated)	Nova Scotia Housing Development Corporation	Nova Scotia Housing Development Fund	Nova Scotia Municipal Finance Corporation	Nova Scotia Power Finance Corporation	Other	1997	1996
Net Direct Debt - beginning of year	\$ 8,715,592	\$ 89,480	\$ 83,001	\$ (6,146)	\$ ---	\$ (3,800)	\$ 8,878,127	\$ 8,676,111
Add (Subtract):								
Deficit (Surplus) for the year	(8,276)	(1,131)	(1,034)	194	---	153	(10,094)	201,502
Sydney Steel Corporation	(9,029)	---	---	---	---	---	(9,029)	26,015
Contributed Surplus of								
InNOVAcorp	---	---	---	---	---	(15,374)	(15,374)	---
Pension Obligations	(125,244)	---	---	---	---	---	(125,244)	(25,500)
Total Additions (Reductions) to								
Net Direct Debt	(142,549)	(1,131)	(1,034)	194	---	(15,221)	(159,741)	202,017
Net Direct Debt - end of year	<u>\$ 8,573,043</u>	<u>\$ 88,349</u>	<u>\$ 81,967</u>	<u>\$ (5,952)</u>	<u>\$ ---</u>	<u>\$ (19,021)</u>	<u>\$ 8,718,386</u>	<u>\$ 8,878,128</u>

Province of Nova Scotia
Summary Consolidated Schedule of Revenue
for the fiscal year ended March 31, 1997
(in thousands)

	Province of Nova Scotia (non- consolidated)	Nova Scotia Housing Development Corporation	Nova Scotia Housing Development Fund	Nova Scotia Municipal Finance Corporation	Nova Scotia Power Finance Corporation	Other	1997	1996
Provincial Sources								
Income Taxes	\$ 1,063,839	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 1,063,839	\$ 980,910
Sales Taxes	1,025,995	---	---	---	---	---	1,025,995	1,012,071
Interest Revenue - Loans	35,567	2,934	---	57,573	---	---	96,074	100,955
- Other	---	---	---	688	5,700	233	6,621	23,572
Liquor Commission	116,104	---	---	---	---	(116,104)	---	---
Nova Scotia Gaming Corporation	133,388	---	---	---	---	---	133,388	121,931
Other Provincial Revenue	162,990	8,563	445	---	---	2,973	174,971	170,763
Proceeds from sale of Crown Assets								
	854	---	---	---	---	---	854	---
Federal Sources								
Equalization	1,115,691	---	---	---	---	---	1,115,691	1,126,187
Established Programs Financing	536,412	---	---	---	---	---	536,412	364,663
Other Federal Payments	2,306	---	---	---	---	---	2,306	2,306
Prior Years' Adjustments- Federal Provincial Fiscal Arrangements								
	52,899	---	---	---	---	---	52,899	49,878
	<u>\$ 4,246,045</u>	<u>\$ 11,497</u>	<u>\$ 445</u>	<u>\$ 58,261</u>	<u>\$ 5,700</u>	<u>\$ (112,898)</u>	<u>\$ 4,209,050</u>	<u>\$ 3,953,236</u>

Province of Nova Scotia
Summary Consolidated Schedule of Program Expenditures
for the fiscal year ended March 31, 1997
(in thousands)

	Province of Nova Scotia (non- consolidated)	Nova Scotia Housing Development Corporation	Nova Scotia Housing Development Fund	Nova Scotia Municipal Finance Corporation	Nova Scotia Power Finance Corporation	Other	1997	1996
General Government	\$ 64,909	\$ ---	\$ ---	\$ ---	\$ ---	\$ 493	\$ 65,402	\$ 103,579
Public Protection	134,034	---	---	---	---	---	134,034	145,378
Transportation and Communications	183,595	---	---	---	---	---	183,595	108,749
Resource Development	148,201	---	---	---	---	1,430	149,631	149,454
Health	1,287,054	---	---	---	---	---	1,287,054	1,223,406
Social Services	547,417	119	---	---	---	---	547,536	301,159
Education	900,378	---	---	---	---	---	900,378	915,897
Culture and Recreation	33,834	---	---	---	---	---	33,834	34,278
Municipal Affairs	48,064	---	---	165	---	---	48,229	46,764
Net Program Expenditures	<u>3,347,486</u>	<u>119</u>	<u>---</u>	<u>165</u>	<u>---</u>	<u>1,923</u>	<u>3,349,693</u>	<u>3,028,664</u>
Restructuring Costs	<u>35,627</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>35,627</u>	<u>45,585</u>
	<u>\$ 3,383,113</u>	<u>\$ 119</u>	<u>\$ ---</u>	<u>\$ 165</u>	<u>\$ ---</u>	<u>\$ 1,923</u>	<u>\$ 3,385,320</u>	<u>\$ 3,074,249</u>

PROVINCE OF NOVA SCOTIA

Notes to the Consolidated Financial Summary
March 31, 1997**1. BASIS OF PRESENTATION**

The Public Accounts of the Province are presented annually to the Legislative Assembly and contain, among other information, the financial statements of the Province disclosing the detail of financial assets and liabilities, revenue and recoveries, current and capital expenditure, borrowing and investing authorities, as well as detailed expenditure by object.

The consolidated financial summary is supplementary to the financial statements of the Province and is presented for the purpose of illustrating the effect of applying the entity theory of consolidation for government organizations and the modified equity basis of accounting for government enterprises.

This summary includes the accounts of the Province's "Consolidated Fund" together with the financial assets, liabilities, revenues and expenditures of government organizations. The Province's interest in government enterprises is accounted for in the consolidated financial summary using the modified equity method.

Government organizations exist primarily to provide services to government and are accountable for the administration of their financial affairs and resources either to a minister of the government or directly to the Legislative Assembly.

Government enterprises are entities owned or controlled by the Province which have the financial and operating authority to carry on a business, selling goods and services to individuals and non-government organizations as their principal activity and source of revenue. Government enterprises differ from other government organizations in their objectives, operations, relationship to the Province and financial reporting practices. They generally prepare their individual financial statements in accordance with accounting principles which are generally accepted for business enterprises.

The financial statements of the Province referred to above exclude the government organizations and only reflect the Province's interest in government enterprises to the extent of provisions made in respect of deficiencies in net assets of certain government enterprises. As well, they recognize the operating results of Nova Scotia Liquor Commission.

The following are major crown corporations and agencies of the Province which are considered to be government organizations and which, with others, are consolidated in these summary financial statements. Financial statements of each of these government organizations are presented separately within the Province's Public Accounts. The consolidated financial summary presents details of their accounts after having first amended their accounting policies to comply with those used in the Province's financial statements.

Nova Scotia Housing Development Corporation - Established to provide long-term mortgage financing through outside lenders for the Public Non-Profit Housing Program and various home ownership programs of the Department of Housing and Municipal Affairs. Administration and management of the corporation is provided by the Department of Housing and Municipal Affairs.

Nova Scotia Housing Development Fund - Established to provide financing for the mortgage and loan programs and land development programs of the Department of Housing and Municipal Affairs. Administration and management of the Fund is provided by the Department of Housing and Municipal Affairs.

Nova Scotia Municipal Finance Corporation - Established to provide financing of approved capital projects for municipalities, municipal enterprises, school boards and hospitals through a central borrowing authority. Borrowings of the corporation are guaranteed by the Province and the proceeds are reloaned to municipalities, municipal enterprises and participating hospitals on substantially the same terms as the corporation's borrowings. The Province provides grants to school boards, hospitals and municipalities for

operating and debt retirement purposes. Administrative expenses are paid by an operating grant from the Province.

Nova Scotia Power Finance Corporation - A provincial crown corporation whose sole purpose is to hold debt that is guaranteed by the Province. Nova Scotia Power Inc., a publicly owned utility, is responsible for the servicing of such debt.

Waterfront Development Corporation Limited - Established to redevelop and revitalize sections of the waterfronts of Halifax and Dartmouth in accordance with an agreement between the corporation and the Province. The Province guarantees the corporation's borrowings and provides annual operating grants.

The following are major crown corporations and agencies of the Province which are considered to be government enterprises and which, with others, are accounted for by the modified equity method in these summary consolidated financial statements. Financial statements of each of these government enterprises are presented separately within the Province's Public Accounts.

Nova Scotia Liquor Commission - Established to administer the Liquor Control Act, providing all retail liquor services in Nova Scotia.

Nova Scotia Resources Limited - Established to invest in and manage the Province's participation in petroleum, energy and mineral projects. The Province guarantees the corporation's borrowings.

Sydney Steel Corporation - Engaged in the manufacture and sale of steel products. The Province has provided substantial financial assistance to Sydney Steel Corporation and in January 1990, assumed responsibility for the bank debt which it had guaranteed. The Province continues to guarantee lines of credit for working capital purposes and to provide grants in respect of debt servicing for outstanding debenture debt.

Nova Scotia Innovation Corporation - Established to build relationships that enable technology-based Nova Scotia firms to compete successfully for business anywhere in the world. The corporation receives an annual grant from the Province of Nova Scotia.

Certain Nova Scotia public sector entities with which the Province may be seen to be affiliated are not considered to be part of the Reporting Entity and are excluded from these consolidated financial statements. Principal among these are:

Workers' Compensation Board of Nova Scotia - Considered to be distinct from the Reporting Entity. The Province has no rights to any assets or financial surplus of the Board and no obligation in respect of any liabilities or deficiencies it may incur.

Halifax-Dartmouth Bridge Commission - Considered to be distinct from the Reporting Entity, partly on the basis of a 1993 decision of the Supreme Court of Nova Scotia. The Province provides direct guarantees in respect of certain debt obligations of the Commission.

2. CONTINGENT LIABILITIES

The Province acts as a guarantor of debt issued by Crown corporations, agencies and various other entities under authorities provided by Provincial statutes. At March 31, 1997, outstanding bank loans, bonds, debentures, etc., directly guaranteed by the Province totalled \$354,637,000, net of provisions for deficiency in net assets of certain crown corporations of \$453,041,000, and hospital and public school debts of \$126,401,000 and other miscellaneous items recorded as liabilities of the Province.

Of that amount, \$192,303,000 relating to guarantees of obligations of government organizations have been included as liabilities in the summary consolidated financial position presented in this consolidated financial summary. Net remaining guarantees of the consolidated entity, after including guarantees of \$26,169,000 under the Nova Scotia Housing Development Corporation Act, totalled \$188,503,000 at March 31, 1997.

3. COMMITMENTS

Due to the change in authority for capital spending commencing in the 1996-97 fiscal year, transitional funding has been provided whereby the Province has incurred commitments to the extent of \$11,715,300 (1996 - \$50,913,800), representing projects in progress as at March 31, 1997.

The Long-Term Disability plan, which is funded on an equal basis by the Province and its employees, has an estimated unfunded liability as at March 31, 1997 of approximately \$45,000,000. The Province is not contractually committed to fund this shortfall; therefore, no liability is recorded in these financial statements.

**ANALYSIS OF DEPARTMENTAL NET EXPENDITURES
OF THE PROVINCE OF
NOVA SCOTIA FOR THE FISCAL YEAR
ENDED MARCH 31, 1997**

The following breakdown of net expenditures, follows the format of the Estimates of the Government of Nova Scotia for the fiscal year 1996-97. The figures represent the actual net expenditures summarized by category. Explanations of the organization or program level are contained in the Estimates book.

	<u>Estimate</u>	<u>Actual</u>
DEPARTMENT OF AGRICULTURE AND MARKETING		
General Administration		
Salaries and Benefits	\$ 710,000.00	\$ 690,823.66
Operating Costs	411,000.00	958,839.24
Grants and Contributions	538,000.00	316,423.37
Gross Expenditures	1,659,000.00	1,966,086.27
Less: Recoveries	(50,000.00)	(50,000.00)
Total Net Expenditures - General Administration	1,609,000.00	1,916,086.27
Extension Services		
Salaries and Benefits	\$ 3,334,000.00	\$ 3,217,532.50
Operating Costs	1,255,000.00	1,237,895.55
Grants and Contributions	409,000.00	173,459.53
Gross Expenditures	4,998,000.00	4,628,887.58
Less: Fees and Other Charges	(35,000.00)	(49,204.85)
Less: Recoveries	(24,000.00)	(14,614.29)
Total Net Expenditures - Extension Services	4,939,000.00	4,565,068.44
Marketing Services		
Salaries and Benefits	\$ 654,000.00	\$ 618,743.19
Operating Costs	596,000.00	619,520.33
Grants and Contributions	610,000.00	477,377.32
Gross Expenditures	1,860,000.00	1,715,640.84
Less: Fees and Other Charges	(2,000.00)	(25,060.11)
Total Net Expenditures - Marketing Services	1,858,000.00	1,690,580.73
Animal Industry Services		
Salaries and Benefits	\$ 2,219,000.00	\$ 2,084,837.71
Operating Costs	810,000.00	821,961.41
Grants and Contributions	1,774,000.00	1,861,976.02
Gross Expenditures	4,803,000.00	4,768,775.14
Less: Chargeable to Other Departments	(8,000.00)	(7,821.79)
Less: Fees and Other Charges	(107,000.00)	(51,034.17)
Less: Recoveries	---	(75,003.21)
Total Net Expenditures - Animal Industry		
Services	4,688,000.00	4,634,915.97

	<u>Estimate</u>	<u>Actual</u>
Plant Industry Services		
Salaries and Benefits	\$ 2,685,000.00	\$ 2,566,583.18
Operating Costs	902,000.00	947,638.80
Grants and Contributions	48,000.00	47,154.02
Gross Expenditures	3,635,000.00	3,561,376.00
Less: Fees and Other Charges	(212,000.00)	(195,805.38)
Less: Recoveries	(8,000.00)	460.00
Total Net Expenditures - Plant Industry Services	3,415,000.00	3,366,030.62
Boards and Commissions		
Salaries and Benefits	\$ 1,387,000.00	\$ 1,319,694.70
Operating Costs	833,000.00	775,196.16
Grants and Contributions	842,000.00	688,827.72
Gross Expenditures	3,062,000.00	2,783,718.58
Less: Fees and Other Charges	(281,000.00)	(215,106.93)
Less: Recoveries	(271,000.00)	(258,203.07)
Total Net Expenditures - Boards and		
Commissions	2,510,000.00	2,310,408.58
Nova Scotia Agricultural College		
Salaries and Benefits	\$ 9,822,900.00	\$ 9,885,684.89
Operating Costs	5,261,700.00	5,666,924.46
Gross Expenditures	15,084,600.00	15,552,609.35
Less: Chargeable to Other Departments	(4,012,800.00)	(4,136,177.17)
Less: Fees and Other Charges	(5,993,800.00)	(6,017,311.99)
Total Net Expenditures - Nova Scotia		
Agricultural College	5,078,000.00	5,399,120.19
Development Programs		
Gross Expenditures	8,015,000.00	8,563,306.10
Less: Recoveries	---	(421,067.73)
Total Net Expenditures - Development Programs	8,015,000.00	8,142,238.37
Total Net Expenditures - Agriculture and		
Marketing	32,112,000.00	32,024,449.17

	Estimate	Actual
DEPARTMENT OF BUSINESS AND CONSUMER SERVICES		
Senior Management		
Salaries and Benefits	\$ 454,000.00	\$ 523,208.01
Operating Costs	71,000.00	128,054.80
Total Net Expenditures - Senior Management	\$ 525,000.00	\$ 651,262.81
Corporate Services Unit		
Salaries and Benefits	\$ 2,849,000.00	\$ 2,111,813.20
Operating Costs	671,000.00	419,889.45
Total Net Expenditures - Corporate Services Unit	\$ 3,520,000.00	\$ 2,531,702.65
Administration		
Operating Costs	1,600,000.00	3,016,212.50
Total Net Expenditures - Administration	\$ 1,600,000.00	\$ 3,016,212.50
Provincial Tax Commission		
Salaries and Benefits	\$ 6,468,000.00	\$ 6,194,235.63
Operating Costs	2,365,000.00	2,345,485.88
Gross Expenditures	8,833,000.00	8,539,721.51
Less: Fees and Other Charges	(376,000.00)	(222,502.87)
Less: Recoveries	(275,000.00)	(239,292.99)
Total Net Expenditures - Provincial Tax Commission	\$ 8,182,000.00	\$ 8,077,925.65
Access Nova Scotia		
Salaries and Benefits	\$ 1,404,000.00	\$ 1,245,075.20
Operating Costs	678,000.00	718,247.44
Gross Expenditures	2,082,000.00	1,963,322.64
Less: Chargeable to Other Departments	(65,000.00)	(66,215.89)
Less: Fees and Other Charges	(230,000.00)	(275,600.97)
Total Net Expenditures - Access Nova Scotia	\$ 1,787,000.00	\$ 1,621,505.78

	Estimate	Actual
Registry of Joint Stock Companies		
Salaries and Benefits	\$ 385,000.00	\$ 463,621.64
Operating Costs	493,000.00	410,003.00
Gross Expenditures	878,000.00	873,624.64
Less: Fees and Other Charges	(270,000.00)	(245,045.24)
Total Net Expenditures - Registry of Joint Stock Companies	\$ 608,000.00	\$ 628,579.40
Registry of Motor Vehicles		
Salaries and Benefits	\$ 11,533,000.00	\$ 10,667,488.18
Operating Costs	6,868,000.00	5,790,825.05
Grants and Contributions	38,000.00	33,649.95
Gross Expenditures	18,439,000.00	16,491,963.18
Less: Fees and Other Charges	(1,290,000.00)	(1,104,188.00)
Less: Recoveries	(283,000.00)	(288,550.34)
Total Net Expenditures - Registry of Motor Vehicles	\$ 16,866,000.00	\$ 15,099,224.84
Vital Statistics		
Salaries and Benefits	\$ 866,000.00	\$ 874,448.43
Operating Costs	330,000.00	308,432.32
Total Net Expenditures - Vital Statistics	\$ 1,196,000.00	\$ 1,182,880.75
Consumer and Commercial Relations/ Financial Institutions		
Salaries and Benefits	\$ 2,600,000.00	\$ 2,452,332.65
Operating Costs	856,000.00	629,880.61
Grants and Contributions	10,000.00	---
Gross Expenditures	3,466,000.00	3,082,213.26
Less: Fees and Other Charges	(451,000.00)	(324,054.21)
Less: Recoveries	(583,000.00)	(438,798.87)
Total Net Expenditures - Consumer and Commercial Relations/Financial Institutions	\$ 2,432,000.00	\$ 2,319,360.18
Total Net Expenditures - Business and Consumer Services	\$ 36,716,000.00	\$ 35,128,654.56

	Estimate	Actual
DEPARTMENT OF COMMUNITY SERVICES		
Head Office - Administration		
Salaries and Benefits	\$ 1,112,000.00	\$ 1,083,700.11
Operating Costs	603,000.00	536,701.22
Grants and Contributions	438,000.00	76,720.94
Gross Expenditures	2,153,000.00	1,697,122.27
Less: Chargeable to Other Departments	(108,000.00)	(166,388.00)
Total Net Expenditures - Head Office - Administration	2,045,000.00	1,530,734.27
Field Offices		
Salaries and Benefits	\$ 3,263,000.00	\$ 2,930,106.20
Operating Costs	1,656,000.00	1,624,133.73
Gross Expenditures	4,919,000.00	4,554,239.93
Less: Recoveries	(133,000.00)	(100,750.00)
Total Net Expenditures - Field Offices	\$ 4,786,000.00	\$ 4,453,489.93
Finance and Administration		
Salaries and Benefits	\$ 2,428,000.00	\$ 2,224,016.50
Operating Costs	5,447,000.00	5,686,262.98
Gross Expenditures	7,875,000.00	7,910,279.48
Less: Chargeable to Other Depts	---	(31,542.71)
Total Net Expenditures - Finance and Administration	7,875,000.00	7,878,736.77
Family and Children's Services		
Salaries and Benefits	\$ 13,757,000.00	\$ 11,829,103.96
Operating Costs	2,915,000.00	2,516,944.79
Grants and Contributions	69,862,000.00	75,844,645.74
Gross Expenditures	86,534,000.00	90,190,694.49
Less: Chargeable to Other Depts	(210,000.00)	(194,974.56)
Less: Fees and Other Charges	(32,000.00)	(28,335.65)
Less: Recoveries	---	(56,266.07)
Total Net Expenditures - Family and Children's Services	86,292,000.00	89,911,118.21

	<u>Estimate</u>	<u>Actual</u>
Income Assistance and Employment Support Services		
Salaries and Benefits	\$ 12,274,000.00	\$ 18,877,817.94
Operating Costs	1,653,000.00	2,733,007.87
Grants and Contributions	458,935,000.00	504,259,936.99
Gross Expenditures	472,862,000.00	525,870,762.80
Less: Chargeable to Other Depts	(10,696,000.00)	(58,745,871.60)
Less: Recoveries	(25,582,000.00)	(27,489,011.00)
Total Net Expenditures - Income Assistance and Employment Support Services.	\$ 436,584,000.00	\$ 439,635,880.20
Strategic Planning		
Salaries and Benefits	\$ 1,291,000.00	\$ 1,161,531.02
Operating Costs	664,000.00	363,873.64
Gross Expenditures	1,955,000.00	1,525,404.66
Less: Recoveries	---	(4,388.20)
Total Net Expenditures - Strategic Planning	\$ 1,955,000.00	\$ 1,521,016.46
Total Net Expenditures - Community Services	\$ 539,537,000.00	\$ 544,930,975.84

	Estimate	Actual
DEPARTMENT OF EDUCATION AND CULTURE		
Administration		
Salaries and Benefits	\$ 1,071,000.00	\$ 818,887.33
Operating Costs	242,000.00	215,049.03
Total Net Expenditures - Administration	\$ 1,313,000.00	\$ 1,033,936.36
Council on Higher Education		
Salaries and Benefits	\$ 401,000.00	\$ 257,588.30
Operating Costs	507,000.00	357,807.55
Total Net Expenditures - Council on Higher Education	\$ 908,000.00	\$ 615,395.85
Policy		
Salaries and Benefits	\$ 4,004,000.00	\$ 3,716,033.49
Operating Costs	3,218,000.00	3,779,538.70
Grants and Contributions	100,000.00	54,000.00
Gross Expenditures	7,322,000.00	7,549,572.19
Less: Chargeable to Other Departments	---	(74,000.00)
Less: Fees and Other Charges	(324,000.00)	(222,011.01)
Less: Recoveries	(170,000.00)	(302,587.96)
Total Net Expenditures - Policy	\$ 6,828,000.00	\$ 6,950,973.22
Programs		
Salaries and Benefits	\$ 8,337,600.00	\$ 7,654,248.77
Operating Costs	5,805,400.00	8,460,304.75
Grants and Contributions	5,765,900.00	4,624,179.56
Gross Expenditures	19,908,900.00	20,738,733.08
Less: Chargeable to Other Departments	(4,952,200.00)	(5,185,122.77)
Less: Fees and Other Charges	(1,675,600.00)	(1,907,236.55)
Less: Recoveries	(4,021,100.00)	(4,763,017.13)
Total Net Expenditures - Programs	\$ 9,260,000.00	\$ 8,883,356.63
ACADIAN AND FRENCH LANGUAGE SERVICES		
Salaries and Benefits	\$ 362,000.00	\$ 488,783.78
Operating Costs	3,077,000.00	3,106,730.69
Grants and Contributions	622,000.00	405,259.00
Gross Expenditures	4,061,000.00	4,000,773.47
Less: Recoveries	(4,061,000.00)	(4,000,773.50)
Total Net Expenditures - Acadian and French Language Services	\$ ---	\$ (0.03)

	Estimate	Actual
NOVA SCOTIA COMMUNITY COLLEGE SYSTEM		
Administration		
Salaries and Benefits	2,371,000.00 \$	2,265,553.81
Operating Costs	826,000.00	1,209,435.92
Grants and Contributions	200,000.00	200,000.00
Gross Expenditures	3,397,000.00	3,674,989.73
Less: Recoveries	(162,000.00)	(380,143.67)
Total Net Expenditures - Administration	3,235,000.00 \$	3,294,846.06
Apprenticeship Training		
Salaries and Benefits	1,350,000.00 \$	1,094,444.34
Operating Costs	2,089,000.00	2,197,356.39
Gross Expenditures	3,439,000.00	3,291,800.73
Less: Fees and Other Charges	(175,000.00)	(83,239.08)
Total Net Expenditures - Apprenticeship Training	3,264,000.00 \$	3,208,561.65
Nova Scotia Community College		
Salaries and Benefits	45,555,000.00 \$	42,923,426.83
Operating Costs	20,114,000.00	19,690,209.25
Grants and Contributions	88,000.00	232,408.54
Gross Expenditures	65,757,000.00	62,846,044.62
Less: Chargeable to Other Departments	(34,000.00)	(19,071.49)
Less: Fees and Other Charges	(15,930,000.00)	(12,776,698.93)
Less: Recoveries	(6,240,000.00)	(6,371,532.76)
Total Net Expenditures - Nova Scotia Community College	43,553,000.00 \$	43,678,741.44
College de l'Acadie		
Salaries and Benefits	2,147,000.00 \$	1,817,919.55
Operating Costs	1,491,000.00	2,278,513.99
Grants and Contributions	52,000.00	3,420.00
Gross Expenditures	3,690,000.00	4,099,853.54
Less: Fees and Other Charges	(588,000.00)	(891,785.56)
Less: Recoveries	(1,551,000.00)	(1,657,067.79)
Total Net Expenditures - College de l'Acadie	1,551,000.00 \$	1,551,000.19

	Estimate	Actual
HERITAGE AND CULTURE		
Nova Scotia Museum		
Salaries and Benefits	3,522,300.00 \$	3,872,719.35
Operating Costs	1,920,400.00	2,279,266.78
Grants and Contributions	1,000.00	10,920.00
Gross Expenditures	5,443,700.00	6,162,906.13
Less: Chargeable to Other Departments	(146,700.00)	(234,681.86)
Less: Fees and Other Charges	(451,500.00)	(625,846.24)
Less: Recoveries	(435,500.00)	(360,974.93)
Total Net Expenditures - Nova Scotia Museum	4,410,000.00 \$	4,941,403.10
Cultural Affairs		
Salaries and Benefits	590,000.00 \$	506,914.44
Operating Costs	396,000.00	340,352.16
Grants and Contributions	4,613,000.00	4,634,559.27
Gross Expenditures	5,599,000.00	5,481,825.87
Less: Fees and Other Charges	(20,000.00)	(29,718.13)
Less: Recoveries	(100,000.00)	(45,000.00)
Total Net Expenditures - Cultural Affairs	5,479,000.00 \$	5,407,107.74
Art Gallery of Nova Scotia		
Salaries and Benefits	--- \$	283,038.00
Grants and Contributions	1,204,000.00	920,962.00
Total Net Expenditures - Art Gallery of Nova Scotia	1,204,000.00 \$	1,204,000.00
Public Archives of Nova Scotia		
Salaries and Benefits	672,000.00 \$	1,204,025.01
Operating Costs	166,000.00	186,363.89
Grants and Contributions	1,408,000.00	827,014.86
Gross Expenditures	2,246,000.00	2,217,403.76
Less: Chargeable to Other Departments	---	(94,389.09)
Less: Fees and Other Charges	(115,000.00)	---
Total Net Expenditures - Public Archives of Nova Scotia	2,131,000.00 \$	2,123,014.67

	Estimate	Actual
Finance and Operations		
Salaries and Benefits	\$ 2,658,000.00	\$ 2,536,854.74
Operating Costs	8,246,000.00	8,288,609.06
Grants and Contributions	4,000,000.00	3,696,997.04
Gross Expenditures	14,904,000.00	14,522,460.84
Less: Chargeable to Other Departments	---	(87,147.19)
Less: Fees and Other Charges	(403,000.00)	(343,037.47)
Less: Recoveries	(317,000.00)	(437,440.00)
Total Net Expenditures - Finance and Operations	\$ 14,184,000.00	\$ 13,654,836.18
Grants to School Boards		
Operating Costs	\$ 6,358,000.00	\$ 6,588,837.62
Grants and Contributions	554,987,000.00	554,877,371.85
Total Net Expenditures - Grants to School Boards	\$ 561,345,000.00	\$ 561,466,209.47
French Language Grants		
Grants and Contributions	\$ 3,608,000.00	\$ 3,094,427.20
Gross Expenditures	3,608,000.00	3,094,427.20
Less: Recoveries	(3,608,000.00)	(3,094,427.50)
Total Net Expenditures - French Language Grants	---	\$ (0.30)
Museum Grants		
Grants and Contributions	\$ 3,208,000.00	\$ 3,219,025.00
Total Net Expenditures - Museum Grants	\$ 3,208,000.00	\$ 3,219,025.00
Public Library Grants		
Grants and Contributions	\$ 7,803,000.00	\$ 7,915,769.00
Total Net Expenditures - Public Library Grants	\$ 7,803,000.00	\$ 7,915,769.00
Atlantic Provinces Special Education Authority		
Grants and Contributions	\$ 9,558,000.00	\$ 9,538,000.24
Total Net Expenditures - Atlantic Provinces Special Education Authority	\$ 9,558,000.00	\$ 9,538,000.24

	<u>Estimate</u>	<u>Actual</u>
Teachers' Pension		
Grants and Contributions	\$ 56,834,000.00	\$ 60,099,741.00
Gross Expenditures	56,834,000.00	60,099,741.00
Less: Chargeable to Other Departments	(1,840,000.00)	(1,743,251.76)
Less: Recoveries	(16,000.00)	---
Total Net Expenditures - Teachers' Pensions	\$ 54,978,000.00	\$ 58,356,489.24
Total Net Expenditures - Education and Culture	\$ 734,212,000.00	\$ 737,042,665.71

	<u>Estimate</u>	<u>Actual</u>
EDUCATION AND CULTURE - ASSISTANCE TO UNIVERSITIES		
Grants to Universities		
Operating Costs	\$ 1,000,000.00	\$ 798,464.19
Grants and Contributions	\$ 192,895,000.00	\$ 190,949,213.13
Gross Expenditures	193,895,000.00	191,747,677.32
Less: Fees and Other Charges	(1,911,000.00)	---
Less: Recoveries	(7,969,000.00)	(8,335,000.00)
Total Net Expenditures - Grants to		
Universities	184,015,000.00	183,412,677.32

	Estimate	Actual
DEPARTMENT OF ENVIRONMENT		
Administration		
Salaries and Benefits	\$ 733,000.00	\$ 769,227.88
Operating Costs	1,721,000.00	1,884,899.43
Grants and Contributions	20,000.00	48,153.25
Gross Expenditures	2,474,000.00	2,702,280.56
Less: Fees and Other Charges	(6,000.00)	(2,231.31)
Less: Recoveries	(1,000.00)	---
Total Net Expenditures - Administration	\$ 2,467,000.00	\$ 2,700,049.25
Environmental Assessment Board		
Salaries and Benefits	\$ 109,000.00	\$ 93,129.30
Operating Costs	80,000.00	29,973.60
Total Net Expenditures - Environmental Assessment Board	\$ 189,000.00	\$ 123,102.90
Policy, Planning and Coordination		
Salaries and Benefits	\$ 276,000.00	\$ 284,868.33
Operating Costs	93,000.00	79,032.30
Total Net Expenditures - Policy, Planning and Coordination	\$ 369,000.00	\$ 363,900.63
Utilities		
Salaries and Benefits	\$ 705,000.00	\$ 671,579.22
Operating Costs	707,000.00	668,472.07
Gross Expenditures	1,412,000.00	1,340,051.29
Less: Fees and Other Charges	(870,000.00)	(1,045,829.07)
Total Net Expenditures - Utilities	\$ 542,000.00	\$ 294,222.22
Resource Management and Pollution Control		
Salaries and Benefits	\$ 1,750,000.00	\$ 1,317,693.47
Operating Costs	309,000.00	698,634.17
Grants and Contributions	7,000.00	6,620.00
Gross Expenditures	2,066,000.00	2,022,947.64
Less: Chargeable to Other Departments	(14,000.00)	(13,400.00)
Total Net Expenditures - Resource Management and Pollution Control	\$ 2,052,000.00	\$ 2,009,547.64

	Estimate	Actual
Environmental Support Services		
Salaries and Benefits	\$ 510,000.00	\$ 631,012.38
Operating Costs	232,000.00	173,210.72
Grants and Contributions	132,000.00	183,914.19
Gross Expenditures	874,000.00	988,137.29
Less: Chargeable to Other Departments	(117,000.00)	(116,451.00)
Less: Recoveries	(70,000.00)	(94,234.92)
Total Net Expenditures - Environmental Support Services	687,000.00	777,451.37
Regional Offices		
Salaries and Benefits	\$ 6,625,000.00	\$ 6,754,682.26
Operating Costs	1,999,000.00	1,963,142.12
Total Net Expenditures - Regional Offices	8,624,000.00	8,717,824.38
Environmental Industries and Technologies		
Salaries and Benefits	\$ 392,000.00	\$ 379,641.11
Operating Costs	424,000.00	222,355.44
Total Net Expenditures - Environmental Industries and Technologies	816,000.00	601,996.55
Emergency Measures Organization		
Salaries and Benefits	\$ 280,000.00	\$ 244,458.98
Operating Costs	502,000.00	975,112.47
Grants and Contributions	32,000.00	34,900.00
Gross Expenditures	814,000.00	1,254,471.45
Less: Recoveries	(97,000.00)	(188,989.62)
Total Net Expenditures - Emergency Measures Organization	717,000.00	1,065,481.83
Total Net Expenditures - Environment	16,463,000.00	16,653,576.77

	Estimate	Actual
DEPARTMENT OF FINANCE		
Senior Management		
Salaries and Benefits	\$ 421,000.00	\$ 436,379.72
Operating Costs	307,000.00	253,956.89
Total Net Expenditures - Senior Management	\$ 728,000.00	\$ 690,336.61
Corporate Services Unit		
Salaries and Benefits	\$ 1,833,000.00	\$ 1,961,112.23
Operating Costs	904,000.00	4,538,934.25
Grants and Contributions	46,000.00	43,233.68
Gross Expenditures	2,783,000.00	6,543,280.16
Less: Chargeable to Other Departments	---	(3,417,000.00)
Total Net Expenditures - Corporate Services Unit	\$ 2,783,000.00	\$ 3,126,280.16
Controller		
Salaries and Benefits	\$ 1,963,000.00	\$ 1,898,242.40
Operating Costs	449,000.00	745,118.16
Gross Expenditures	2,412,000.00	2,643,360.56
Less: Chargeable to Other Departments	(87,000.00)	(28,866.93)
Less: Recoveries	(615,000.00)	(1,800,728.42)
Total Net Expenditures - Controller	\$ 1,710,000.00	\$ 813,765.21
Fiscal and Economic Policy		
Salaries and Benefits	\$ 1,412,000.00	\$ 1,347,471.63
Operating Costs	215,000.00	598,133.92
Gross Expenditures	1,627,000.00	1,945,605.55
Less: Chargeable to Other Departments	(49,000.00)	(51,745.57)
Less: Recoveries	---	(9,064.35)
Total Net Expenditures - Fiscal and Economic Policy	\$ 1,578,000.00	\$ 1,884,795.63

	<u>Estimate</u>	<u>Actual</u>
Investment, Pensions and Treasury Services		
Salaries and Benefits	\$ 1,860,000.00	\$ 1,594,268.74
Operating Costs	8,707,000.00	7,250,014.13
Gross Expenditures	10,567,000.00	8,844,282.87
Less: Chargeable to Other Departments and Pension Funds	(9,527,000.00)	(8,049,485.23)
Less: Fees and Other Charges	(240,000.00)	(261,527.91)
Total Net Expenditures - Investments, Pensions and Treasury Services	\$ 800,000.00	\$ 533,269.73
 Procurement		
Salaries and Benefits	\$ 1,682,000.00	\$ 1,602,131.76
Operating Costs	1,926,000.00	2,800,670.51
Gross Expenditures	3,608,000.00	4,402,802.27
Less: Chargeable to Other Departments	(1,895,000.00)	(2,752,673.24)
Total Net Expenditures - Procurement	\$ 1,713,000.00	\$ 1,650,129.03
 Unclassified and Unforeseen		
Grants and Contributions	\$ 30,000.00	\$ 83,143.57
Total Net Expenditures - Unclassified and Unforeseen	\$ 30,000.00	\$ 83,143.57
Total Net Expenditures - Finance	\$ 9,342,000.00	\$ 8,781,719.94

	<u>Estimate</u>	<u>Actual</u>
FINANCE - DEBT SERVICING COSTS		
Debenture Debt		
Canada Pension Plan	\$ 148,853,000.00	\$ 148,429,354.54
Canadian Debt	167,341,000.00	169,728,854.11
United States Debt	354,133,000.00	328,679,464.28
Other Foreign Currencies Debt		
Sterling	21,197,000.00	21,618,342.40
Swiss Francs	29,751,000.00	23,845,896.19
Yen	97,258,000.00	81,043,564.56
Foreign Exchange on Sinking Fund Instalments	20,225,000.00	3,493,440.80
Total Net Expenditures - Debenture Debt	\$ 838,758,000.00	\$ 776,838,916.88
Other Long Term Debt		
Courthouses	\$ 112,000.00	111,984.26
Government of Canada Loans	365,000.00	\$ 364,590.88
Hospital Loans	7,417,000.00	7,417,338.14
Joseph Howe Building	2,083,000.00	2,083,210.69
Nova Scotia Municipal Finance Loan Fund	---	1,879,687.17
One Government Place	938,000.00	935,361.49
Public School Loans	22,122,000.00	22,121,691.68
Sydney Community Health Centre	22,000.00	22,299.00
Teachers' Pension Fund	22,683,000.00	22,580,340.04
Other Provincial Pension Obligations	19,657,000.00	17,381,084.32
Total Net Expenditures - Other Long-Term Debt	\$ 75,399,000.00	\$ 74,897,587.67
General Interest		
Other Related Bond Issue Expenses	\$ 9,935,000.00	\$ 17,050,881.79
Total Net Expenditures - General Interest	\$ 9,935,000.00	\$ 17,050,881.79
Borrowing Program		
Borrowing Program	\$ 30,479,000.00	---
Total Net Expenditures - Borrowing Program	\$ 30,479,000.00	---
Debt Retirement Fund Earnings		
Debt Retirement Fund Earnings	\$ (57,700,000.00)	\$ (57,705,876.71)
Total Net Expenditures - Debt Retirement Fund Earnings	\$ (57,700,000.00)	\$ (57,705,876.71)
Total Net Expenditures - Debt Servicing Costs	\$ 896,871,000.00	\$ 811,081,509.63

	<u>Estimate</u>	<u>Actual</u>
DEPARTMENT OF FISHERIES		
Office of the Minister and the Deputy Minister		
Salaries and Benefits	\$ 221,000.00	\$ 215,229.50
Operating Costs	64,000.00	119,682.08
Total Net Expenditures - Office of the Minister and the Deputy Minister	\$ 285,000.00	\$ 334,911.58
Finance and Administration		
Salaries and Benefits	\$ 150,000.00	\$ 107,335.44
Operating Costs	144,000.00	186,699.60
Total Net Expenditures - Finance and Administration	\$ 294,000.00	\$ 294,035.04
Marketing		
Salaries and Benefits	\$ 294,000.00	\$ 283,916.23
Operating Costs	159,000.00	178,337.78
Total Net Expenditures - Marketing	\$ 453,000.00	\$ 462,254.01
Technology and Inspection		
Salaries and Benefits	\$ 603,000.00	\$ 616,775.09
Operating Costs	802,000.00	562,894.29
Grants and Contributions	---	55,000.00
Gross Expenditures	1,405,000.00	1,234,669.38
Less: Fees and Other Charges	(286,000.00)	(251,310.00)
Total Net Expenditures - Technology and Inspection	\$ 1,119,000.00	\$ 983,359.38
Fisheries Loan Board		
Salaries and Benefits	\$ 455,000.00	\$ 455,890.02
Operating Costs	353,000.00	119,119.48
Gross Expenditures	808,000.00	575,009.50
Less: Fees and Other Charges	(23,000.00)	(30,870.00)
Total Net Expenditures - Fisheries Loan Board	\$ 785,000.00	\$ 544,139.50

	Estimate	Actual
Inland Fisheries		
Salaries and Benefits	\$ 673,000.00	\$ 692,039.18
Operating Costs	367,000.00	412,361.73
Gross Expenditures	1,040,000.00	1,104,400.91
Less: Fees and Other Charges	(361,000.00)	(380,483.78)
Total Net Expenditure - Inland Fisheries.	\$ 679,000.00	\$ 723,917.13
Aquaculture		
Salaries and Benefits	\$ 574,000.00	\$ 675,685.17
Operating Costs	160,000.00	237,531.30
Gross Expenditures	734,000.00	913,216.47
Less: Fees and Other Charges	(10,000.00)	(9,800.00)
Total Net Expenditure - Aquaculture.	\$ 724,000.00	\$ 903,416.47
Policy, Planning and Coastal Resources		
Salaries and Benefits	\$ 652,000.00	\$ 630,850.54
Operating Costs	223,000.00	229,499.91
Total Net Expenditures - Policy, Planning and Coastal Resources	\$ 875,000.00	\$ 860,350.45
Training		
Salaries and Benefits	\$ 679,000.00	\$ 764,351.09
Operating Costs	459,000.00	508,788.70
Gross Expenditures	1,138,000.00	1,273,139.79
Less: Fees and Other Charges	(16,000.00)	(269,669.56)
Less: Recoveries	(471,000.00)	(332,465.70)
Total Net Expenditures - Training	\$ 651,000.00	\$ 671,004.53
Program for Older Fisheries Workers' Assistance		
Grants and Contributions	\$ 425,000.00	\$ 425,000.00
Total Net Expenditures - Program for Older Fisheries Workers' Assistance	\$ 425,000.00	\$ 425,000.00
Fisheries Enhancement Fund		
Salaries and Benefits	\$ ---	\$ (3,905.00)
Total Net Expenditures - Fisheries Enhancement Fund	\$ ---	\$ (3,905.00)
Total Net Expenditures - Fisheries	\$ 6,290,000.00	\$ 6,198,483.09

	Estimate	Actual
DEPARTMENT OF HEALTH		
General Administration		
Salaries and Benefits	\$ 977,000.00	\$ 959,733.97
Operating Costs	732,000.00	691,778.49
Total Net Expenditures - General Administration	\$ 1,709,000.00	\$ 1,651,512.46
Corporate Services		
Salaries and Benefits	\$ 2,886,000.00	\$ 2,906,350.24
Operating Costs	2,051,000.00	1,782,526.95
Grants and Contributions	11,136,000.00	13,086,510.74
Gross Expenditures	16,073,000.00	17,775,387.93
Less: Recoveries	(9,044,000.00)	(8,655,844.93)
Total Net Expenditures - Corporate Services	\$ 7,029,000.00	\$ 9,119,543.00
Policy and Planning		
Salaries and Benefits	\$ 4,826,000.00	\$ 3,617,314.47
Operating Costs	1,738,000.00	2,251,054.78
Grants and Contributions	2,141,000.00	1,707,905.36
Gross Expenditures	8,705,000.00	7,576,274.61
Less: Chargeable to Other Departments	(239,000.00)	---
Less: Recoveries	(194,000.00)	(658,041.66)
Total Net Expenditures - Policy and Planning	\$ 8,272,000.00	\$ 6,918,232.95
Regional Support		
Salaries and Benefits	\$ 1,391,000.00	---
Operating Costs	313,000.00	0.02
Grants and Contributions	1,400,000.00	---
Gross Expenditures	3,104,000.00	0.02
Less: Recoveries	(1,571,000.00)	---
Total Net Expenditures - Regional Support	\$ 1,533,000.00	\$ 0.02

	<u>Estimate</u>	<u>Actual</u>
Systems Reform		
Salaries and Benefits	\$ 473,000.00	\$ 1,625,881.10
Operating Costs	357,000.00	370,699.47
Grants and Contributions	200,000.00	1,399,447.00
Gross Expenditures	1,030,000.00	3,396,027.57
Less: Chargeable to Other Departments	---	(236,386.00)
Less: Recoveries	---	(3,447.99)
Total Net Expenditures - Systems Reform	\$ 1,030,000.00	\$ 3,156,193.58

Administration - Insured Program Management

Salaries and Benefits	\$ 821,000.00	\$ 1,312,495.13
Operating Costs	8,244,000.00	9,286,796.93
Grants and Contributions	750,000.00	741,325.00
Gross Expenditures	9,815,000.00	11,340,617.06
Less: Recoveries	---	(385.60)
Total Net Expenditures - Administration	\$ 9,815,000.00	\$ 11,340,231.46

Medical Payments

Grants and Contributions	\$ 246,526,000.00	\$ 267,647,910.17
Total Net Expenditures - Medical Payments	\$ 246,526,000.00	\$ 267,647,910.17

Pharmacare Program

Grants and Contributions	\$ 38,088,000.00	\$ 41,217,685.00
Total Net Expenditures - Pharmacare Program	\$ 38,088,000.00	\$ 41,217,685.00

Other Insured Services

Grants and Contributions	12,982,000.00	14,249,049.00
Total Net Expenditures - Other Insured Services	\$ 12,982,000.00	\$ 14,249,049.00

Home Care Program

Salaries and Benefits	\$ 9,017,000.00	\$ 9,362,215.26
Operating Costs	9,048,000.00	10,795,917.53
Grants and Contributions	31,010,000.00	36,907,504.55
Total Net Expenditures - Home Care Program	\$ 49,075,000.00	\$ 57,065,637.34

	Estimate	Actual
Drug Dependency Services Program		
Salaries and Benefits	\$ 9,063,000.00	\$ 8,775,515.62
Operating Costs	1,624,000.00	1,852,719.48
Grants and Contributions	3,560,000.00	3,572,500.03
Gross Expenditures	14,247,000.00	14,200,735.13
Less: Recoveries	(5,662,000.00)	(5,212,625.90)
Total Net Expenditures - Drug Dependency Services Program	\$ 8,585,000.00	\$ 8,988,109.23
Public Health Services Program		
Salaries and Benefits	\$ 11,189,000.00	\$ 10,800,736.69
Operating Costs	3,972,000.00	4,034,932.17
Grants and Contributions	864,000.00	860,611.30
Gross Expenditures	16,025,000.00	15,696,280.16
Less: Recoveries	(237,000.00)	(459,004.85)
Total Net Expenditures - Public Health Services Program	\$ 15,788,000.00	\$ 15,237,275.31
Hospital Insurance Program		
Grants and Contributions	\$ 622,218,000.00	\$ 676,040,244.43
Gross Expenditures	622,218,000.00	676,040,244.43
Less: Recoveries	(62,233,000.00)	(31,014,759.00)
Total Net Expenditures - Hospital Insurance Program	\$ 559,985,000.00	\$ 645,025,485.43
Mental Health Services Program		
Grants and Contributions	\$ 61,295,000.00	\$ 60,185,838.50
Gross Expenditures	61,295,000.00	60,185,838.50
Less: Recoveries	(735,000.00)	---
Total Net Expenditures - Mental Health Services Program	\$ 60,560,000.00	\$ 60,185,838.50
Long Term Care Program		
Grants and Contributions	\$ 103,588,000.00	\$ 104,510,386.55
Total Net Expenditures - Long Term Care Program	\$ 103,588,000.00	\$ 104,510,386.55

	<u>Estimate</u>	<u>Actual</u>
Emergency Health Services		
Salaries and Benefits \$	562,000.00 \$	427,955.00
Operating Costs	4,999,000.00	5,186,368.41
Grants and Contributions	14,601,000.00	16,010,903.37
Gross Expenditures	20,162,000.00	21,625,226.78
Less: Recoveries	(1,108,000.00)	(597,715.72)
Total Net Expenditures - Emergency Health Services \$	19,054,000.00 \$	21,027,511.06
Total Net Expenditures - Health \$	1,143,619,000.00 \$	1,267,340,601.06

	Estimate	Actual
DEPARTMENT OF HOUSING AND MUNICIPAL AFFAIRS		
Administration		
Salaries and Benefits	\$ 801,000.00	\$ 797,409.95
Operating Costs	491,000.00	444,842.71
Grants and Contributions	11,000.00	20,790.00
Gross Expenditures	1,303,000.00	1,263,042.66
Less: Recoveries	(125,000.00)	(121,836.41)
Total Net Expenditures - Administration	\$ 1,178,000.00	\$ 1,141,206.25
Municipal Services		
Salaries and Benefits	\$ 1,664,000.00	\$ 1,639,790.51
Operating Costs	448,000.00	337,678.56
Grants and Contributions	42,842,000.00	39,623,285.28
Gross Expenditures	44,954,000.00	41,600,754.35
Less: Recoveries	(7,877,000.00)	(5,646,988.08)
Total Net Expenditures - Municipal Services	\$ 37,077,000.00	\$ 35,953,766.27
Support Services		
Salaries and Benefits	\$ 107,000.00	\$ 153,106.81
Operating Costs	1,192,000.00	1,540,967.90
Gross Expenditures	1,299,000.00	1,694,074.71
Less: Fees and Other Charges	---	(131.60)
Total Net Expenditures - Support Services	\$ 1,299,000.00	\$ 1,693,943.11
Land Information Management Services		
Salaries and Benefits	\$ 6,740,000.00	\$ 6,503,814.29
Operating Costs	3,133,000.00	3,563,221.18
Gross Expenditures	9,873,000.00	10,067,035.47
Less: Chargeable to Other Departments	(119,000.00)	---
Less: Fees and Other Charges	(600,000.00)	(860,413.43)
Total Net Expenditures - Land Information Management Services	\$ 9,154,000.00	\$ 9,206,622.04

	<u>Estimate</u>	<u>Actual</u>
Assessment Services		
Salaries and Benefits	\$ 6,888,000.00	\$ 6,374,983.27
Operating Costs	3,443,000.00	4,207,346.94
Total Net Expenditures - Assessment Services	\$ 10,331,000.00	\$ 10,582,330.21
Housing Services		
Salaries and Benefits	\$ 4,456,000.00	\$ 4,411,996.85
Operating Costs	796,000.00	931,876.63
Gross Expenditures	5,252,000.00	5,343,873.48
Less: Chargeable to Other Departments	(347,000.00)	(374,095.34)
Less: Fees and Other Charges	(25,000.00)	(36,293.13)
Less: Recoveries	(2,674,000.00)	(2,819,600.50)
Total Net Expenditures - Housing Services	\$ 2,206,000.00	\$ 2,113,884.51
Subsidies		
Operating Costs	\$ ---	148,648.30
Grants and Contributions	54,723,000.00	57,335,665.75
Gross Expenditures	54,723,000.00	57,484,314.05
Less: Chargeable to Other Departments	(40,519,000.00)	(42,914,995.12)
Less: Fees and Other Charges	---	(92,769.16)
Total Net Expenditures - Subsidies	\$ 14,204,000.00	\$ 14,476,549.77
Total Net Expenditures - Housing and		
Municipal Affairs	\$ 75,449,000.00	\$ 75,168,302.16

	Estimate	Actual
DEPARTMENT OF HUMAN RESOURCES		
Senior Management		
Salaries and Benefits	\$ 646,000.00	\$ 567,561.72
Operating Costs	272,000.00	326,753.30
Grants and Contributions	7,000.00	7,462.00
Gross Expenditures	925,000.00	901,777.02
Less: Chargeable to Other Departments	(40,000.00)	(67,155.01)
Total Net Expenditures - Senior Management	\$ 885,000.00	\$ 834,622.01
Client Services		
Salaries and Benefits	\$ 1,388,000.00	\$ 1,365,658.37
Operating Costs	343,000.00	393,229.11
Grants and Assistance	58,000.00	7,583.80
Gross Expenditures	1,789,000.00	1,766,471.28
Less: Chargeable to Other Departments	(91,000.00)	(98,982.68)
Total Net Expenditures - Client Services	\$ 1,698,000.00	\$ 1,667,488.60
Corporate Services		
Salaries and Benefits	\$ 1,295,000.00	\$ 1,267,840.59
Operating Costs	663,000.00	1,152,112.83
Gross Expenditures	1,958,000.00	2,419,953.42
Less: Chargeable to Other Departments	(478,000.00)	(865,170.96)
Less: Fees and Other Charges	(12,000.00)	(28,167.84)
Total Net Expenditures - Corporate Services	\$ 1,468,000.00	\$ 1,526,614.62
Total Net Expenditures - Human Resources	\$ 4,051,000.00	\$ 4,028,725.23

	Estimate	Actual
DEPARTMENT OF JUSTICE		
Administration		
Salaries and Benefits	\$ 8,640,000.00	\$ 8,117,232.27
Operating Costs	4,688,000.00	20,830,645.22
Grants and Contributions	258,000.00	258,752.00
Gross Expenditures	13,586,000.00	29,206,629.49
Less: Chargeable to Other Departments	(2,564,000.00)	(2,597,705.80)
Less: Fees and Other Charges	(92,000.00)	(123,195.62)
Total Net Expenditures - Administration	10,930,000.00	26,485,728.07
Nova Scotia Legal Aid		
Grants and Contributions	\$ 10,234,000.00	\$ 10,468,338.00
Gross Expenditures	10,234,000.00	10,468,338.00
Less: Recoveries	(3,062,000.00)	(3,061,993.00)
Total Net Expenditures - Nova Scotia		
Legal Aid	7,172,000.00	7,406,345.00
Courts and Registries		
Salaries and Benefits	\$ 23,395,000.00	\$ 22,186,447.31
Operating Costs	5,046,000.00	5,524,533.77
Grants and Contributions	3,000.00	4,000.00
Gross Expenditures	28,444,000.00	27,714,981.08
Less: Chargeable to Other Departments	(2,000.00)	(622.05)
Less: Fees and Other Charges	(6,979,000.00)	(7,279,623.58)
Less: Recoveries	(191,000.00)	(213,620.48)
Total Net Expenditures - Courts and Registries	21,272,000.00	20,221,114.97
Correctional Services		
Salaries and Benefits	\$ 29,367,000.00	\$ 29,629,491.02
Operating Costs	7,261,000.00	7,073,752.82
Grants and Contributions	1,127,000.00	1,123,628.16
Gross Expenditures	37,755,000.00	37,826,872.00
Less: Chargeable to Other Departments	---	(172,003.31)
Less: Recoveries	(19,484,000.00)	(19,363,119.83)
Total Net Expenditures - Correctional		
Services	18,271,000.00	18,291,748.86

	Estimate	Actual
Public Trustee		
Salaries and Benefits	\$ 526,000.00	\$ 520,995.65
Operating Costs	59,000.00	36,503.80
Gross Expenditures	585,000.00	557,499.45
Less: Fees and Other Charges	(325,000.00)	(384,122.89)
Total Net Expenditures - Public Trustee	\$ 260,000.00	\$ 173,376.56
Fatality Inquiries Act		
Salaries and Benefits	\$ 206,000.00	\$ 243,302.44
Operating Costs	433,000.00	523,619.40
Total Net Expenditures - Fatality Inquires Act	\$ 639,000.00	\$ 766,921.84
Policing Services		
Salaries and Benefits	\$ 716,000.00	\$ 600,989.36
Operating Costs	49,008,000.00	49,875,892.56
Grants and Contributions	281,000.00	267,753.26
Gross Expenditures	50,005,000.00	50,744,635.18
Less: Chargeable to Other Departments	(953,000.00)	(953,000.00)
Less: Fees and Other Charges	(70,000.00)	(67,185.00)
Less: Recoveries	(33,772,000.00)	(33,952,541.62)
Total Net Expenditures - Policing Services	\$ 15,210,000.00	\$ 15,771,908.56
Total Net Expenditures - Justice	\$ 73,754,000.00	\$ 89,117,143.86

	Estimate	Actual
DEPARTMENT OF LABOUR		
Administration		
Salaries and Benefits	\$ 728,000.00	\$ 710,525.82
Operating Costs	385,000.00	565,079.64
Gross Expenditures	1,113,000.00	1,275,605.46
Less: Chargeable to Other Departments	(12,000.00)	(9,669.59)
Total Net Expenditures - Administration	\$ 1,101,000.00	\$ 1,265,935.87
Employment Services		
Salaries and Benefits	\$ 1,047,000.00	\$ 1,072,081.44
Operating Costs	368,000.00	374,459.01
Grants and Contributions	6,000.00	6,000.00
Gross Expenditures	1,421,000.00	1,452,540.45
Less: Chargeable to Other Departments	---	(1,530.00)
Total Net Expenditures - Employment Services	\$ 1,421,000.00	\$ 1,451,010.45
Boards and Commissions		
Salaries and Benefits	\$ 409,000.00	\$ 449,972.80
Operating Costs	431,000.00	389,297.38
Gross Expenditures	840,000.00	839,270.18
Less: Chargeable to Other Departments	---	(934.91)
Total Net Expenditures - Boards and Commissions	\$ 840,000.00	\$ 838,335.27
Office of the Fire Marshal		
Salaries and Benefits	\$ 749,000.00	\$ 791,342.46
Operating Costs	197,000.00	244,555.19
Grants and Contributions	190,000.00	190,000.00
Gross Expenditures	1,136,000.00	1,225,897.65
Less: Chargeable to Other Departments	---	(2,622.00)
Total Net Expenditures - Office of the Fire Marshal	\$ 1,136,000.00	\$ 1,223,275.65

	Estimate	Actual
Occupational Health and Safety		
Salaries and Benefits	2,082,000.00	\$ 1,638,522.84
Operating Costs	713,000.00	914,453.28
Grants and Contributions	6,000.00	7,800.00
Gross Expenditures	2,801,000.00	2,560,776.12
Less: Chargeable to Other Departments	(25,000.00)	(24,111.86)
Less: Recoveries	(1,450,000.00)	(1,450,000.00)
Total Net Expenditures - Occupational Health and Safety	1,326,000.00	\$ 1,086,664.26
Public Safety		
Salaries and Benefits	758,000.00	\$ 712,620.08
Operating Costs	209,000.00	226,109.92
Gross Expenditures	967,000.00	938,730.00
Less: Fees and Other Charges	(275,000.00)	(329,850.93)
Total Net Expenditures - Public Safety	692,000.00	\$ 608,879.07
Program for Older Workers' Adjustment		
Grants and Contributions	950,000.00	97,884.62
Total Net Expenditures - Program for Older Workers' Adjustment	950,000.00	\$ 97,884.62
Workers' Compensation Board		
Salaries and Benefits	280,000.00	\$ 531,652.77
Operating Costs	2,017,000.00	1,641,702.94
Grants and Contributions	5,850,000.00	5,931,170.24
Total Net Expenditures - Workers' Compensation Adjustment	8,147,000.00	\$ 8,104,525.95
Total Net Expenditures - Labour	15,613,000.00	\$ 14,676,511.14

	Estimate	Actual
DEPARTMENT OF NATURAL RESOURCES		
Senior Management		
Salaries and Benefits	\$ 661,000.00	\$ 622,899.87
Operating Costs	344,000.00	303,365.25
Total Net Expenditures - Senior Management	\$ 1,005,000.00	\$ 926,265.12
Corporate Services Unit		
Salaries and Benefits	\$ 3,294,000.00	\$ 3,231,108.82
Operating Costs	423,000.00	444,839.58
Total Net Expenditures - Corporate Services	\$ 3,717,000.00	\$ 3,675,948.40
Support Services		
Salaries and Benefits	\$ 4,077,000.00	\$ 3,994,821.00
Operating Costs	4,379,000.00	4,470,696.39
Grants and Assistance	929,000.00	934,997.00
Gross Expenditures	9,385,000.00	9,400,514.39
Less: Chargeable to Other Departments	(897,000.00)	(922,936.08)
Less: Fees and Other Charges	(124,000.00)	(130,203.67)
Total Net Expenditures - Support Services	\$ 8,364,000.00	\$ 8,347,374.64
Renewable Resources		
Salaries and Benefits	\$ 6,941,000.00	\$ 7,336,577.69
Operating Costs	3,443,000.00	2,690,628.24
Grants and Contributions	5,000.00	2,000.00
Gross Expenditures	10,389,000.00	10,029,205.93
Less: Fees and Other Charges	(746,000.00)	(982,727.24)
Total Net Expenditures - Renewable Resources	\$ 9,643,000.00	\$ 9,046,478.69
Minerals and Energy		
Salaries and Benefits	\$ 3,448,000.00	\$ 3,323,520.89
Operating Costs	940,000.00	943,557.00
Grants and Assistance	22,000.00	25,247.25
Gross Expenditures	4,410,000.00	4,292,325.14
Less: Recoveries	(488,000.00)	(191,441.00)
Total Net Expenditures - Minerals and Energy	\$ 3,922,000.00	\$ 4,100,884.14

	<u>Estimate</u>	<u>Actual</u>
Regional Services		
Salaries and Benefits	\$ 14,210,000.00	\$ 14,121,398.83
Operating Costs	7,648,000.00	7,320,221.33
Gross Expenditures	21,858,000.00	21,441,620.16
Less: Chargeable to Other Departments	(91,000.00)	(89,959.16)
Less: Fees and Other Charges	(711,000.00)	(615,119.41)
Total Net Expenditures - Regional Services	21,056,000.00	20,736,541.59
 Petroleum Development Agency		
Salaries and Benefits	\$ 577,000.00	\$ 543,810.39
Operating Costs	523,000.00	1,395,207.03
Grants and Assistance	849,000.00	832,779.89
Gross Expenditures	1,949,000.00	2,771,797.31
Less: Chargeable to Canada-Nova Scotia (Offshore) Development Fund	---	(753.98)
Total Net Expenditures - Petroleum Development Agency	1,949,000.00	2,771,043.33
 Resource Enhancement Fund		
Salaries and Benefits	\$ ---	\$ 2,128,647.27
Operating Costs	9,000,000.00	6,948,005.38
Gross Expenditures	9,000,000.00	9,076,652.65
Less: Recoveries	(5,000,000.00)	(5,000,000.00)
Total Net Expenditures - Resource Enhancement Fund	4,000,000.00	4,076,652.65
Total Net Expenditures - Natural Resources	53,656,000.00	53,681,188.56

	Estimate	Actual
PUBLIC SERVICE		
COMMUNICATIONS NOVA SCOTIA		
Salaries and Benefits	2,371,000.00 \$	2,277,725.83
Operating Costs	11,853,000.00	11,824,437.94
Gross Expenditures	14,224,000.00	14,102,163.77
Less: Fees and Other Charges	(12,358,000.00)	(12,829,677.41)
Total Net Expenditures - Communication Nova Scotia	1,866,000.00 \$	1,272,486.36
EXECUTIVE COUNCIL		
Aboriginal Affairs		
Salaries and Benefits	64,000.00 \$	67,277.95
Operating Costs	50,000.00	36,970.08
Grants and Contributions	655,000.00	489,491.00
Total Net Expenditures - Aboriginal Affairs	769,000.00 \$	593,739.03
Acadian Affairs		
Salaries and Benefits	89,000.00 \$	71,396.97
Operating Costs	17,000.00	35,087.64
Gross Expenditures	106,000.00	106,484.61
Less: Recoveries	---	(5,000.00)
Total Net Expenditures - Acadian Affairs	106,000.00 \$	101,484.61
Council of Maritime Premiers		
Grants and Contributions	1,435,000.00 \$	1,362,183.00
Total Net Expenditures - Council of Maritime Premiers	1,435,000.00 \$	1,362,183.00
Executive Council Office		
Salaries and Benefits	283,000.00 \$	284,049.56
Operating Costs	78,000.00	40,988.83
Total Net Expenditures - Executive Council Office	361,000.00 \$	325,038.39

	Estimate	Actual
Intergovernmental Affairs		
Salaries and Benefits	\$ 265,000.00	\$ 157,158.26
Operating Costs	98,000.00	79,168.86
Grants and Contributions	55,000.00	49,645.00
Total Net Expenditures - Intergovernmental Affairs	\$ 418,000.00	\$ 285,972.12
Office of the Premier		
Salaries and Benefits	\$ 551,000.00	\$ 573,078.21
Operating Costs	155,000.00	129,149.34
Total Net Expenditures - Office of the Premier	\$ 706,000.00	\$ 702,227.55
Priorities and Planning Secretariat		
Salaries and Benefits	\$ 1,151,000.00	\$ 920,401.14
Operating Costs	270,000.00	266,599.91
Gross Expenditures	1,421,000.00	1,187,001.05
Less: Chargeable to Other Departments	(68,000.00)	(71,366.93)
Total Net Expenditures - Priorities and Planning Secretariat	\$ 1,353,000.00	\$ 1,115,634.12
Protocol Office		
Salaries and Benefits	\$ 175,000.00	\$ 171,070.98
Operating Costs	166,000.00	172,958.50
Gross Expenditures	341,000.00	344,029.48
Less: Chargeable to Other Departments	(25,000.00)	(102,450.91)
Total Net Expenditures - Protocol Office	\$ 316,000.00	\$ 241,578.57
Total Net Expenditures - Executive Council	\$ 5,464,000.00	\$ 4,727,857.39
GOVERNMENT CONTRIBUTIONS TO BENEFIT PLANS		
Salaries and Benefits	\$ 4,284,000.00	\$ 4,264,781.58
Gross Expenditures	4,284,000.00	4,264,781.58
Less: Chargeable to Other Departments	(651,000.00)	(630,236.25)
Less: Recoveries	---	(8,364.56)
Total Net Expenditures - Government Contributions to Benefit Plans	\$ 3,633,000.00	\$ 3,626,180.77

	Estimate	Actual
HUMAN RIGHTS COMMISSION		
Salaries and Benefits	\$ 1,049,000.00	\$ 994,988.39
Operating Costs	199,000.00	455,328.49
Total Net Expenditures - Human Rights		
Commission	\$ 1,248,000.00	\$ 1,450,316.88
LEGISLATIVE SERVICES		
Election Expenses		
Salaries and Benefits	\$ 215,000.00	\$ 223,408.98
Operating Costs	190,000.00	399,475.23
Total Net Expenditures - Election Expenses	\$ 405,000.00	\$ 622,884.21
Government House		
Salaries and Benefits	\$ 278,000.00	\$ 258,833.42
Operating Costs	74,000.00	59,807.63
Total Net Expenditures - Government House	\$ 352,000.00	\$ 318,641.05
Legislative Expenses		
Salaries and Benefits	\$ 4,478,000.00	\$ 4,349,333.53
Operating Costs	3,553,000.00	3,223,495.32
Grants and Contributions	26,000.00	26,254.65
Gross Expenditures	8,057,000.00	7,599,083.50
Less: Chargeable to Other Departments	(70,000.00)	(47,135.70)
Less: Fees and Other Charges	(43,000.00)	(111,255.65)
Total Net Expenditures - Legislative Expenses	\$ 7,944,000.00	\$ 7,440,692.15
Ministers' Salaries and Expenses		
Salaries and Benefits	\$ 732,000.00	\$ 751,543.51
Operating Costs	198,000.00	181,652.15
Total Net Expenditures - Ministers' Salaries		
and Expenses	\$ 930,000.00	\$ 933,195.66
Office of the Legislative Counsel		
Salaries and Benefits	\$ 517,000.00	\$ 423,804.52
Operating Costs	165,000.00	192,619.34
Grants and Contributions	6,000.00	
Total Net Expenditures - Office of the		
Legislative Counsel	\$ 688,000.00	\$ 616,423.86

	Estimate	Actual
Office of the Speaker		
Salaries and Benefits	\$ 1,346,000.00	\$ 1,238,963.77
Operating Costs	434,000.00	524,082.83
Gross Expenditures	1,780,000.00	1,763,046.60
Less: Chargeable to Other Departments	(10,000.00)	(31,230.81)
Total Net Expenditures - Office of the Speaker	\$ 1,770,000.00	\$ 1,731,815.79
Total Net Expenditures - Legislative Services	\$ 12,089,000.00	\$ 11,663,652.72
NOVA SCOTIA ADVISORY COUNCIL ON THE STATUS OF WOMEN		
Salaries and Benefits	\$ 342,000.00	\$ 306,326.58
Operating Costs	134,000.00	142,214.20
Total Net Expenditures - Nova Scotia Advisory Council on the Status of Women	\$ 476,000.00	\$ 448,540.78
NOVA SCOTIA BOXING AUTHORITY		
Salaries and Benefits	\$ ---	\$ 9,558.29
Operating Costs	63,000.00	23,000.52
Total Net Expenditures - Nova Scotia Boxing Authority	\$ 63,000.00	\$ 32,558.81
NOVA SCOTIA GAMING CONTROL COMMISSION		
Salaries and Benefits	\$ 3,549,000.00	\$ 3,109,676.04
Operating Costs	2,914,000.00	2,641,802.68
Grants and Contributions	---	158,630.19
Gross Expenditures	6,463,000.00	5,910,108.91
Less: Recoveries	(6,462,000.00)	(5,910,108.91)
Total Net Expenditures - Nova Scotia Gaming Control Commission	\$ 1,000.00	\$ 0.00
NOVA SCOTIA POLICE COMMISSION		
Grants and Contributions	\$ 270,000.00	\$ 237,521.01
Total Net Expenditures - Nova Scotia Police Commission	\$ 270,000.00	\$ 237,521.01
NOVA SCOTIA PROVINCIAL HEALTH COUNCIL		
Operating Costs	---	(328.00)
Total Net Expenditures - Nova Scotia Provincial Health Council	\$ ---	\$ (328.00)

	<u>Estimate</u>	<u>Actual</u>
NOVA SCOTIA SECURITIES COMMISSION		
Salaries and Benefits	\$ 654,000.00	\$ 610,471.20
Operating Costs	<u>253,000.00</u>	<u>230,780.59</u>
Total Net Expenditures - Nova Scotia Securities		
Commission	<u>907,000.00</u>	<u>841,251.79</u>

NOVA SCOTIA SPORT AND RECREATION COMMISSION

Salaries and Benefits	\$ 904,000.00	\$ 870,947.15
Operating Costs	294,000.00	289,599.72
Grants and Contributions	<u>2,972,000.00</u>	<u>2,976,865.35</u>
Gross Expenditures	<u>4,170,000.00</u>	<u>4,137,412.22</u>
Less: Chargeable to Other Departments	(17,000.00)	---
Less: Fees and Other Charges	(17,000.00)	(23,085.00)
Less: Recoveries	<u>(100,000.00)</u>	<u>(100,000.00)</u>
Total Net Expenditures - Nova Scotia Sport and		
Recreation Commission	<u>4,036,000.00</u>	<u>4,014,327.22</u>

NOVA SCOTIA UTILITY AND REVIEW BOARD

Grants and Contributions	\$ 2,078,000.00	\$ 2,078,000.00
Total Net Expenditures - Nova Scotia Utility		
and Review Board	<u>2,078,000.00</u>	<u>2,078,000.00</u>

OFFICE OF THE AUDITOR GENERAL

Salaries and Benefits	\$ 1,588,000.00	\$ 1,453,041.41
Operating Costs	223,000.00	314,913.62
Gross Expenditures	<u>1,811,000.00</u>	<u>1,767,955.03</u>
Less: Fees and Other Charges	(120,000.00)	(142,100.00)
Total Net Expenditures - Office of the		
Auditor General	<u>1,691,000.00</u>	<u>1,625,855.03</u>

OFFICE OF THE OMBUDSMAN

Salaries and Benefits	\$ 266,000.00	\$ 270,033.38
Operating Costs	40,000.00	54,829.79
Total Net Expenditures - Office of the		
Ombudsman	<u>306,000.00</u>	<u>324,863.17</u>

	Estimate	Actual
PUBLIC INQUIRY, WESTRAY MINE		
Salaries and Benefits	\$ 100,000.00	\$ 184,129.70
Operating Costs	250,000.00	894,653.21
Total Net Expenditures - Public Inquiry, Westray Mine	\$ 350,000.00	\$ 1,078,782.91
PUBLIC PROSECUTION SERVICE		
Salaries and Benefits	\$ 6,680,000.00	\$ 6,670,630.92
Operating Costs	2,144,000.00	2,043,145.01
Gross Expenditures	8,824,000.00	8,713,775.93
Less: Chargeable to Other Departments	(274,000.00)	(232,007.01)
Less: Recoveries	---	(19,263.63)
Total Net Expenditures - Public Prosecution Service	\$ 8,550,000.00	\$ 8,462,505.29
TECHNOLOGY AND SCIENCE SECRETARIAT		
Secretariat		
Salaries and Benefits	\$ 1,280,000.00	\$ 1,087,050.68
Operating Costs	1,020,000.00	2,255,683.35
Gross Expenditures	2,300,000.00	3,342,734.03
Less: Chargeable to Other Departments	---	(1,050,000.00)
Total Net Expenditures - Secretariat	\$ 2,300,000.00	\$ 2,292,734.03
IT Services and Operations		
Salaries and Benefits	\$ 3,219,000.00	\$ 3,408,704.40
Operating Costs	27,075,000.00	24,736,708.21
Gross Expenditures	30,294,000.00	28,145,412.61
Less: Chargeable to Other Departments	(28,057,000.00)	(26,826,487.81)
Less: Fees and Other Charges	(293,000.00)	(391,758.02)
Total Net Expenditures - IT Services and Operations	\$ 1,944,000.00	\$ 927,166.78
Total Net Expenditures - Technology and Science Science	\$ 4,244,000.00	\$ 3,219,900.81
WOMEN'S DIRECTORATE		
Salaries and Benefits	\$ 171,000.00	\$ 185,636.63
Operating Costs	33,000.00	15,192.05
Total Net Expenditures - Women's Directorate	\$ 204,000.00	\$ 200,828.68
Total Net Expenditures - Public Service	\$ 47,476,000.00	\$ 45,305,101.62

	Estimate	Actual
THE NOVA SCOTIA ECONOMIC RENEWAL AGENCY		
Senior Management and Support Services		
Salaries and Benefits	\$ 898,000.00	\$ 1,337,064.94
Operating Costs	1,525,000.00	1,394,444.07
Grants and Contributions	150,000.00	191,187.50
Total Net Expenditures - Senior Management and Support Services	\$ 2,573,000.00	\$ 2,922,696.51
Special Assistance Program		
Grants and Contributions	\$ 8,175,000.00	\$ 8,896,213.46
Gross Expenditures	8,175,000.00	8,896,213.46
Less: Chargeable to Canada-Nova Scotia (Offshore) Development Fund	(2,579,000.00)	(287,385.45)
Total Net Expenditures - Special Assistance Program	\$ 5,596,000.00	\$ 8,608,828.01
Trade Centre Limited		
Grants and Contributions	\$ 792,000.00	\$ 292,000.00
Total Net Expenditures - Trade Centre Limited	\$ 792,000.00	\$ 292,000.00
Voluntary Planning		
Salaries and Benefits	\$ 373,000.00	\$ 382,984.91
Operating Costs	204,000.00	192,159.35
Total Net Expenditures - Voluntary Planning	\$ 577,000.00	\$ 575,144.26
Provincial Employment Program		
Salaries and Benefits	\$ 405,000.00	\$ 773,486.47
Operating Costs	20,000.00	58,135.87
Grants and Contributions	5,730,000.00	5,413,866.66
Total Net Expenditures - Provincial Employment Program	\$ 6,155,000.00	\$ 6,245,489.00
N. S. Film Industry Development		
Grants and Contributions	\$ 1,717,000.00	\$ 1,717,500.00
Total Net Expenditures - N.S. Film Industry Development	\$ 1,717,000.00	\$ 1,717,500.00

	Estimate	Actual
Nova Scotia Marketing Agency		
Salaries and Benefits	\$ 1,014,000.00	\$ 1,041,112.60
Operating Costs	6,291,000.00	8,935,220.73
Grants and Contributions	696,000.00	585,224.25
Total Net Expenditures - Nova Scotia Marketing Agency	\$ 8,001,000.00	\$ 10,561,557.58
Tourism Nova Scotia		
Salaries and Benefits	\$ 1,860,000.00	\$ 1,853,574.39
Operating Costs	2,852,000.00	3,591,840.13
Grants and Contributions	1,718,000.00	1,447,571.86
Gross Expenditures	6,430,000.00	6,892,986.38
Less: Fees and Other Charges	(130,000.00)	(197,527.13)
Less: Recoveries	(138,000.00)	(10,017.50)
Total Net Expenditures - Tourism Nova Scotia	\$ 6,162,000.00	\$ 6,685,441.75
Community Economic Development		
Salaries and Benefits	\$ 1,830,000.00	\$ 1,699,853.65
Operating Costs	416,000.00	385,173.32
Grants and Contributions	3,200,000.00	2,878,814.40
Total Net Expenditures - Community Economic Development	\$ 5,446,000.00	\$ 4,963,841.37
Investment and Trade		
Salaries and Benefits	\$ 1,886,000.00	\$ 1,635,531.53
Operating Costs	1,554,000.00	2,016,889.46
Grants and Contributions	500,000.00	1,440.00
Total Net Expenditures - Investment and Trade	\$ 3,940,000.00	\$ 3,653,860.99
Lending and Financing Services		
Salaries and Benefits	\$ 1,390,000.00	\$ 1,364,403.88
Operating Costs	1,252,000.00	842,687.52
Grants and Contributions	---	(41,707.67)
Total Net Expenditures - Lending and Financing Services	\$ 2,642,000.00	\$ 2,165,383.73

	Estimate	Actual
Policy and Coordination		
Salaries and Benefits	\$ 489,000.00	\$ 429,193.69
Operating Costs	124,000.00	111,087.46
Total Net Expenditures - Policy and Coordination	\$ 613,000.00	\$ 540,281.15
 N.S. Innovation Corporation		
Grants and Contributions	\$ 3,752,000.00	\$ 3,751,600.00
Total Net Expenditures - N.S. Innovation Corporation	\$ 3,752,000.00	\$ 3,751,600.00
 Waterfront Development Corporation		
Grants and Contributions	\$ 344,000.00	\$ 344,000.00
Total Net Expenditures - Waterfront Development Corporation	\$ 344,000.00	\$ 344,000.00
 Harbour Ports Development		
Grants and Contributions	\$ 402,000.00	\$ 365,000.00
Total Net Expenditures - Harbour Ports Development	\$ 402,000.00	\$ 365,000.00
 Resort Hotel Operations		
Salaries and Benefits	\$ 2,985,000.00	\$ 3,427,877.54
Operating Costs	4,550,000.00	3,751,839.46
Gross Expenditures	7,535,000.00	7,179,717.00
Less: Fees and Other Charges	(7,670,000.00)	(7,356,349.88)
Total Net Expenditures - Resort Hotel Operations	\$ (135,000.00)	\$ (176,632.88)
 Loans Valuation Allowance		
Operating Costs	\$ 3,250,000.00	\$ 3,829,158.21
Total Net Expenditures - Loans Valuation Allowance	\$ 3,250,000.00	\$ 3,829,158.21

	<u>Estimate</u>	<u>Actual</u>
Funds for Federal-Provincial Economic Cooperation		
Salaries and Benefits	\$ ---	\$ 275,969.64
Operating Costs	44,080,000.00	23,640,087.66
Gross Expenditures	44,080,000.00	23,916,057.30
Less: Recoveries	(26,347,000.00)	(13,904,626.67)
Total Net Expenditures - Funds for Federal- Provincial Economic Cooperation	17,733,000.00	10,011,430.63
Total Net Expenditures -The Nova Scotia Economic Renewal Agency	69,560,000.00	67,056,580.31

	Estimate	Actual
DEPARTMENT OF TRANSPORTATION AND PUBLIC WORKS		
Head Office Administration		
Salaries and Benefits	\$ 10,547,700.00	\$ 9,380,547.86
Operating Costs	3,179,600.00	6,751,177.69
Grants and Contributions	252,500.00	344,322.51
Gross Expenditures	13,979,800.00	16,476,048.06
Less: Chargeable to Capital Account	(130,000.00)	(1,958,635.81)
Total Net Expenditures - Head Office		
Administration	\$ 13,849,800.00	\$ 14,517,412.25
Field Administration		
Salaries and Benefits	\$ 16,241,400.00	\$ 16,208,060.24
Operating Costs	4,135,300.00	4,379,404.36
Total Net Expenditures - Field Administration	\$ 20,376,700.00	\$ 20,587,464.60
Highways, Bridges and Buildings		
Salaries and Benefits	\$ 13,063,200.00	\$ 27,398,419.42
Operating Costs	37,822,200.00	25,041,221.81
Grants and Contributions	---	302,369.60
Gross Expenditures	50,885,400.00	52,742,010.83
Less: Chargeable to Capital Account	(2,329,000.00)	(220,160.00)
Less: Fees and Other Charges	(3,600.00)	(5,734.00)
Less: Recoveries	(1,870,100.00)	(1,797,610.34)
Total Net Expenditures - Highways, Bridges		
and Buildings	\$ 46,682,700.00	\$ 50,718,506.49
Snow and Ice Control		
Salaries and Benefits	\$ 11,169,700.00	\$ 7,692,379.38
Operating Costs	21,357,400.00	25,182,695.69
Gross Expenditures	32,527,100.00	32,875,075.07
Less: Recoveries	(2,306,400.00)	(2,344,596.01)
Total Net Expenditures - Snow and Ice Control	\$ 30,220,700.00	\$ 30,530,479.06

	Estimate	Actual
Ferry Expenditures		
Salaries and Benefits	2,821,100.00	\$ 3,413,731.78
Operating Costs	1,585,900.00	1,710,382.66
Grants and Contributions	70,000.00	69,724.99
Gross Expenditures	4,477,000.00	5,193,839.43
Less: Fees and Other Charges	(1,139,900.00)	(708,871.45)
Total Net Expenditures - Ferry Expenditures	3,337,100.00	\$ 4,484,967.98
Employee Benefits		
Salaries and Benefits	7,217,700.00	\$ 6,141,706.03
Operating Costs	1,490,500.00	1,198,828.40
Total Net Expenditures - Employee Benefits	8,708,200.00	\$ 7,340,534.43
Capital Development and Environment Engineering		
Salaries and Benefits	4,041,400.00	\$ 4,109,692.95
Operating Costs	3,497,300.00	3,281,116.98
Grants and Contributions	2,550,000.00	1,258,298.00
Gross Expenditures	10,088,700.00	8,649,107.93
Less: Chargeable to Capital Account	(3,985,400.00)	(3,659,102.29)
Total Net Expenditures - Capital Development and Environment Engineering	6,103,300.00	\$ 4,990,005.64
Property Management		
Salaries and Benefits	3,208,400.00	\$ 3,322,906.89
Operating Costs	33,816,400.00	36,109,331.29
Gross Expenditures	37,024,800.00	39,432,238.18
Less: Chargeable to Capital Account	(2,718,700.00)	(2,825,906.78)
Less: Fees and Other Charges	(2,935,600.00)	(3,171,267.83)
Total Net Expenditures - Property Management	31,370,500.00	\$ 33,435,063.57
Total Net Expenditures - Transportation and Public Works	160,649,000.00	\$ 166,604,434.02

	<u>Estimate</u>	<u>Actual</u>
RESTRUCTURING COSTS		
Restructuring Costs		
Early Retirement Incentive Program and Severance Packages	\$ <u>38,600,000.00</u>	\$ <u>35,627,133.38</u>
Total Net Expenditures - Restructuring Costs	\$ <u>38,600,000.00</u>	\$ <u>35,627,133.38</u>