

Bill 29 - Financial Measures Act

October 14, 2009

Honourable Graham Steele, Minister of Finance
7th Floor, Provincial Building
1723 Hollis Street P.O. Box 187
Halifax, Nova Scotia B3J 2N3
Via email: finamin@gov.ns.ca

Dear Minister:

Re: Bill No.29 Financial Measures (2009) Act

I write with the purpose of expressing the Halifax Chamber of Commerce's concern over contents of Bill No.29, which as you well know, has passed first reading and is currently waiting for debate in principle in the House.

Specifically, the Chamber is most concerned about clauses 27, 28 and 29 respectively:

- Clause 27, removing the prohibition on the Minister of Finance from tabling a budget that estimates a deficit;
- Clause 28, removing, after the 2008-2009 fiscal year, the prohibition on including offshore offset revenues in calculating the annual revenue of the Province for a fiscal year; and
- Clause 29, removing the obligation to recover a deficit occurring in a fiscal year in a subsequent fiscal year.

Historically, the Chamber has supported the government's efforts to table balanced budgets and pay down the debt. With a provincial debt of over \$12 billion, we cannot afford for the debt to continue to grow indefinitely. In the Chamber's August Issues Note to the Province, we stated that we support:

- Re-direction of debt reduction dollars on a short-term basis; and

- Using these re-directed dollars on strategic spending, targeted to stimulate the economy and increase our capacity – we did not support using these funds on normal operating expenditures.

It is imperative that our Province be able to see an end to deficit spending and growing debt. One of the Chamber's new strategic priorities is sustainability – this includes fiscal sustainability. Our priorities are in line with your government's promise for our province to "live within our means." Bill 29, as is, does not put Nova Scotia on the path to sustainable fiscal health. We ask that you consider amending Bill 29, adding expiry dates for these major changes to our provincial fiscal plan.

Sincerely,

A handwritten signature in black ink that reads "Valerie Payn". The signature is written in a cursive style with a large, looped initial "V".

Valerie Payn

President & CEO
Halifax Chamber of Commerce
Phone: 481-1229
valerie@halifaxchamber.

Copy: Premier Darrell Dexter