



METROPOLITAN HALIFAX  
CHAMBER OF COMMERCE  
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For Immediate Release

## ***Chamber Alarmed with Budget's Spending Spree ... Another Missed Opportunity***

***Metro Halifax, Nova Scotia – March 29, 2001*** – Following the release of the provincial budget earlier today, the Metropolitan Halifax Chamber of Commerce continues to be disappointed and alarmed with the provincial government's \$165 million spending increase for the coming year.

"The Province missed a golden opportunity to all but eliminate the deficit in this budget," said Chamber President Ian Thompson. "This did not happen. Instead, they estimate a deficit of \$91 million at the end of 2001-02. While the government has met its bottom-line targets, it has not taken advantage of our strong economy. A balanced budget this year could have kept us more competitive with neighbouring provinces, who have already moved to tax reductions."

While the Chamber's fiscal priorities for the Province remain eliminating the deficit and paying down the debt, the budget spending nullified any tax decreases Nova Scotians had hoped to see. Once again, Nova Scotia's competitive position to attract and retain new business and skilled labour is compromised. At a minimum, the Province should pledge to apply every unexpected "windfall" dollar to eliminate the deficit ahead of schedule by March 2001-02. The sooner we reduce our debt service costs that Nova Scotians pay every year (estimated to be \$909 million this year and still rising), the sooner our province will be able to assume its competitive advantage.

"What will happen if the economy slows and we don't have the additional revenues we've had in the past year?" asked Thompson. "This budget does not have a plan for how this is to be managed."

While some of the "strategic spending investments" identified by the Minister of Finance, such as in the area of skills training, are laudable, the Chamber was looking to have such investments made from within the Province's existing spending envelopes.

On the positive side, the continued openness and transparency of financial reporting is welcomed, as is the Province's more aggressive targets to reduce its foreign debt exposure.

The Metropolitan Halifax Chamber of Commerce is a voluntary, not-for-profit organization that represents business interests and provides vital leadership that benefits Metro Halifax and the Atlantic region. The 1,950 corporate members of the Chamber employ more than 60,000 people, representing over one quarter of Metro Halifax's labour force of 199,000. It is also the oldest Chamber in North America – celebrating 250 years in 2000 – and was the first certified to the ISO 9002 international standard of quality.

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