



YUKON CHAMBER OF COMMERCE

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No Significant Surprises in Federal Budget

Minister Ralph Goodale has released what was anticipated to be a pre-election budget, however, the message sent in his first budget as Finance Minister is that the Government is committed to the sound fiscal management of the country's finances by maintaining a balanced budget which includes slightly increased government spending as well as a reasonable contingency planning reserve.

Amid the turbulent controversy of government spending scandals, the chamber welcomes and supports the government's focus on fiscal responsibility and accountability in the management of public funds. In a pre-budget presentation to Minister Goodale, the Yukon Chamber of Commerce emphasized its support to the government to continue the trend of balanced budgeting.

Minister Goodale's budget goes one step further in establishing an objective to reduce the debt-to-GDP ratio from the projected 42% to 25% within 10 years; a measure that peaked at 68.4% back in 1996. "This is an important goal as all Canadians will benefit over time as the interest payment on the debt will drop, thereby enhancing the government's ability to cut taxes. Unfortunately, this approach means there are no immediate reductions in personal and corporate taxes, an area that the Chamber had hoped to see addressed in this budget," commented Paul Goguen, Chair of the Yukon Chamber of Commerce.

"We are hopeful however that the North will benefit from increased support for municipalities and additional spending to support a northern strategy to ensure economic development in the North" continued Mr. Goguen. "As well, the commitment of \$4 billion dollars over 10 years to clean up federal contaminated sites is welcome news. Cleaning up of old mine sites is a big concern in the Territory from an environmental perspective that can have double the benefit in that it would create new economic opportunities in the Territory," added Mr. Goguen.

While much of this spending will be spread out over 5 and 10 year spans, it is important to note that in areas such as increased support for municipalities and northern economic development, the Chamber is encouraged with the priorities the government has set and will continue to advocate for federal support for the North in areas such as economic development and infrastructure, with an added emphasis for support on initiatives such as an Alaska Highway Pipeline and potential rail link between Alaska, Yukon and B.C.

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