STANDING COMMITTEE ON FISCAL ISSUES

QUESTION PERIOD

Minute No. 699
Councillor De Smedt questioned the Chairperson on the issue of tax shifting versus tax sharing, to which Councillor Clement responded that his preference was for sharing over shifting.

Councillor Steek questioned the Chairperson in regards to the $40 million deficit in the 2004 current budget and if citizens should be concerned about a potential tax increase.

Councillor Clement noted that the $40 million figure was a first run of the budget numbers and advised that there have been similar large initial budget deficits in recent years which have been dealt with successfully in a variety of ways.

Councillor Steek made reference to the New Deal initiative projecting approximately 10 new taxes and generating “X” amount of dollars and questioned if there were concerns that these projections may not be accurate, and if they were not, how would the differential be realized?

Councillor Clement noted that projections and budgets are best guesses based on the information available at the time and indicated that he was comfortable with the projections made.