

Atlantic Alert - Quick 5 Political Musings

1. In one way, you have to like the Alward Conservative government's 2013-14 budget in New Brunswick. Why? It buys time. By raising personal income taxes to 2006-07 levels as well as corporate taxes by 2% thereby undoing previous tax cuts combined with 0% increases in the health and post-secondary education portfolios, it gives them time until new revenues come online (hello fracking!) and or the economy improves. They can also do an extensive government services review with an eye to developing a plan for a leaner bureaucracy with less services.

2. Even more interesting is the timing of the measures.....about 18 months before the next provincial election in New Brunswick. Now that takes guts and leadership. It is rare to see that from a government. Wonder what the voters will think?

3. Meanwhile, in Newfoundland and Labrador, the Dunderdale Conservatives also tabled their provincial budget on Tuesday announcing they are cutting 1,200 civil service jobs in the next year to

avoid a \$1.6 billion deficit. If that is not interesting enough, approximately 1/2 of the projected budgetary savings are to come from increased oil royalties. Sound planning or slick accounting? Hmmmm.

4. One thing is for sure: Our cousins on The Rock are fast tiring of the Dunderdale Conservatives. CRA opinion polls out last week showed a continued decline in support for the Conservatives. Under Dunderdale's leadership (?), they have now effectively lost half of their support since she took over from Danny Williams and currently sit at 38% in the polls exactly 1% behind the NDP who continue to surge.

5. Are we seeing the end of the Dexter NDP government in Nova Scotia? According to a recent CRA poll, they remain in 2nd place, a solid 7% behind the Liberals with an election likely later this year. While not blameless for this result, a sluggish economy since they came into power has certainly not helped. Reminds me of the 1990-95 Bob Rae NDP government in Ontario.