

\$8B expected surplus could boost spending for child care, defence: Martin [CA] ^[1]

Author: Bailey, Sue

Source: Canadian Press

Format: Article

Publication Date: 13 Oct 2004

AVAILABILITY

See text below.

EXCERPTS

Economic forecasting is a lot like golf, says Prime Minister Paul Martin of a whopping surplus that's expected to be four times higher than predicted.

"It's like when you've got a slice or a hook when you're playing golf," he said Wednesday. "It takes a minute change when you hit the ball for a massive slice. And that's what happens in these numbers." Ottawa's practice, however, has been that an expected surplus of more than \$8 billion - four times higher than forecast by the Liberals during last spring's election - would be applied to the \$510-billion debt.

"You can't spend last year's money. What you can do when you make your projections looking ahead is take into account the changes. And that may well affect the provisions looking forward," Martin said.

There could be more money next year for defence, child care and cities thanks to the extra cash, Martin said.

"There are obviously a number of social priorities which the government envisages new spending on."

All countries lowball surpluses or overestimate deficits, Martin said.

"Every single country has at the year-end a substantially different number . . . than what was expected."

That's because of changing economic variables that are tough to predict, he said.

The wild card this time was how unexpectedly well exporters performed despite a rising Canadian dollar, Martin explained.

- reprinted from the Canadian Press

Region: Canada ^[2]

Tags: budget ^[3]

economics ^[4]

funding ^[5]

federal programs ^[6]

Source URL (modified on 27 Jan 2022): <https://childcarecanada.org/documents/child-care-news/04/10/8b-expected-surplus-could-boost-spending-child-care-defence-martin>

Links

[1] <https://childcarecanada.org/documents/child-care-news/04/10/8b-expected-surplus-could-boost-spending-child-care-defence-martin> [2]

<https://childcarecanada.org/taxonomy/term/7864> [3] <https://childcarecanada.org/category/tags/budget> [4]

<https://childcarecanada.org/category/tags/economics> [5] <https://childcarecanada.org/category/tags/funding> [6]

<https://childcarecanada.org/category/tags/federal-programs>