

NEWS RELEASE

New Brunswick's spending restraint creating tax relief opportunity of more than \$3,600 per tax filer

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For immediate release

HALIFAX—The New Brunswick government's recent spending restraint could allow for a much-needed tax relief equivalent to \$3,604 less per tax filer, finds a new study published by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

"In recent years New Brunswick's provincial government has begun to make substantial progress in addressing its fiscal challenges, and this hard work could pay off for taxpayers as it creates the fiscal room necessary for much-needed tax relief," said Ben Eisen, senior fellow at the Fraser Institute and co-author of *New Brunswick's Divergent Finances: A Possible Opportunity for Tax Reduction*.

The study finds that New Brunswick in recent years has exercised greater restraint with respect to spending growth than Nova Scotia and Prince Edward Island, contributing to positive fiscal outcomes such as budget surpluses and a declining debt-to-GDP ratio from 38.9 per cent in 2017/18 to 25.1 per cent in 2022/23.

As a result, New Brunswick is now positioned to introduce meaningful tax relief, which if current government revenue and spending growth continues, could reach over \$3,600 per taxpayer by 2032/33 without jeopardizing the province's balanced budget.

"By continuing to exercise restraint in spending and paying down debt, the New Brunswick government is in a position to reduce the tax burden and improve the province's tax competitiveness without going into deficit," said Alex Whalen, associate director of Atlantic Canada Prosperity at the Fraser Institute.

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