



## News Release

### Tax relief and balanced budget signals sound financial management in Nunavut

**IQALUIT, Nunavut (April 30, 2002)** – Corporate and personal income tax relief announced as part of the Government of Nunavut’s 2002/03 Budget will lead to increased investment in the territory and will allow Nunavummiut to become more self-sufficient.

“These major changes will mean more disposable income – and a higher quality of life – for people living in our territory. Individual Nunavummiut will see their Nunavut personal income taxes drop substantially in all income tax brackets,” Finance Minister Kelvin Ng said. “The cost-of-living tax credit, an important element of our personal income tax system, will also be modified to ensure that all Nunavut taxpayers receive an increase to help address the high costs of living in the North.”

“As of this budget, Nunavut will have the lowest corporate and the lowest average personal income tax rates in Canada,” Minister Ng said. “The private sector generates the incomes of many wage earners and the business community plays a crucial role in strengthening our economy. The corporate tax changes I am announcing today will provide a lower general income tax rate for all corporate income allocated to Nunavut and a lower tax rate to small business.”

Total expenditures in this budget are \$759.9 million. Of that, the Government of Nunavut is allocating more than \$689 million for operations and maintenance expenditures. In November more than \$70 million was approved for capital projects for 2002/03. Total revenues for 2002/03 are projected to be \$745.5 million.

“I am proud to inform Members of the Legislature that we are projecting, on a cash flow basis, an operating surplus of \$1.6 million for the coming fiscal year. This will be accomplished, even though there will be more than an 11 per cent increase in spending over last year,” Minister Ng said.

This budget incorporates the principles of Inuit Qaujimajatuqangit (IQ.) Some examples are:

- Significant additional support for the Department of Culture, Languages, Elders and Youth, including establishing an Elders Task Force to facilitate the operations of the IQ Task Force, and provide input regarding community wellness, learning, cultural, and social concerns
- Doubling the Inuit Employment Plan budget within the Department of Human Resources to create training positions for beneficiaries in all government departments

- Investing in a mental health strategy through the Department of Health and Social Services that targets community support networks.

“We have remained true to the spending priorities of our people. We have increased spending for housing, health and social programs - areas that will yield meaningful returns on investments,” Minister Ng said. “We also are committed to protecting and promoting Nunavut’s unique culture while advancing our economic prospects. Nunavummiut can be confident that we will continue to develop programs and services that reflect and respond to their needs and priorities.”

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For more information, contact:

Chris Lalande  
Office of the Minister of Finance  
☎(867) 975-5076