

MEMBER'S STATEMENT – GREAT SLAVE – OCTOBER 2, 2008

REVENUE OPTIONS

Thank you, Mr. Speaker.

Yesterday there were a number of Member's statements and oral questions on Revenue Options identified by the Minister of Finance in September. Before I get into details, I want to acknowledge first that I know the list of potential taxes proposed by cabinet are not official. They are simply discussion points to help encourage us, Cabinet and the public identify real and acceptable options for revenue generation.

What I don't understand is why the Finance Minister would put forward options that clearly have negative ramifications; options which will radically increase the cost of living for all Northerners thus resulting in a mass exodus – or potential mass exodus – from the Northwest Territories. These are options that most people, including many of the MLAs on this side of the House, will be unable to support.

Why cause the unnecessary panic and frustration? A territorial sales tax: it's clearly a horrible idea. A hotel room tax: this doesn't make any sense. Most of the hotel rooms in the NWT are being used by people from the NWT, and we would simply be recirculating money as opposed to bringing in new money. An airport departure tax? There is some merit to this, considering the number of non-resident workers who fly in and out of the NWT. Unfortunately, it also penalizes those of us who choose to live here. It is already expensive enough to travel out of the NWT. We simply can't make it tougher.

The solutions to our financial difficulties should not be focused on increasing taxes on our residents. Rather they should be focused on finding ways to increase our population and ensure that we as Northerners get benefits from all the resource extraction that is current in the NWT.

Has the Minister of Finance met with the diamond mines to ensure that they are meeting their obligations under their socio-economic agreements with respect to northern employment? Let's reduce the number of fly in, fly out workers. Has cabinet pursued the completion of legislation which will make it easier for local business to recruit international and foreign workers -- workers who will move to and live in the Northwest Territories?

What progress has cabinet made on getting the Federal Government to increase our northern tax credit? The rate for Zone A, has not increased in over 20 years. It's time for an increase which will decrease the cost of living for all Northerners.

A resource tax: I keep hearing that we can't get this done, that it can't happen. Why not? It would be in the best interest of the people of the NWT and would bring in needed dollars from our northern resources. I keep hearing reference to all of the good things this government is doing to reduce the cost of living: \$140 million dollars in subsidies to help lower our cost of living. The problem is that these subsidies don't help reduce the cost of living. Rather, they simply provide northern residents who are struggling with the ability to pay for their basic needs: housing, food, heat. Has cabinet pursued opportunities that will actually reduce the cost of living in the NWT? If so, what are their options?

Mr. Speaker, during the last session the Members on this side of the house asked the government to increase revenue in order to avoid cutting programs and laying off employees. Unfortunately, many of the revenue options introduced in September are not acceptable and should not be pursued.

Mr. Speaker, later today I will be asking the appropriate Minister some specific questions on revenue options for the Government of the Northwest Territories.

Thank you, Mr. Speaker.