



Canadian tax alert

2017-2018 Nunavut budget highlights

February 27, 2017

Minister of Finance Keith Peterson presented Nunavut's 2017-2018 budget on February 22, 2017. Mr. Peterson stated that Nunavut should see a growth rate of 4.9% for 2017, excluding inflation. This forecast reflects certain planned projects, such as the new Iqaluit airport scheduled to open this summer, marine infrastructure being built in Iqaluit and Pond Inlet and investments in housing and roads. The minister stated that fighting poverty and developing people with technical, scientific and professional skills are essential to allow access by the territory to a better economy.

Economic development is one of the government's four priorities; the other priorities are to support Nunavummiut to develop self-reliance and optimism, develop healthy families and strong communities, and improve the government's ability to deliver results.

Here are some of the budget highlights:

- No new taxes or tax changes are introduced.
- The government continues to rely on federal funding for most of its revenues (roughly 82%).

- Modest operating surpluses are projected for 2017-2018. Revenues are expected to increase by 5.1% and operating expenses are expected to increase by less than 3% from the revised estimates of the previous year.
- Nominal GDP is expected to increase by 6.1% and real GDP is expected to increase by 4.9%.
- Nunavut's unemployment rate remains high at 14.9% per 2016 statistics, down 1.0% from 2015.

For further details, we refer you to the [Ministry of Finance website](#).

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