



30-September-2017

The Honorable Bob McLeod
Premier of the Northwest Territories

Delivered via Email: bob_mcleod@gov.nt.ca

Dear Premier McLeod;

We want to thank you for your leadership in steering the Northwest Territories economy through these challenging times. I'm writing to you because I worry that big changes to federal tax policy could derail the recent economic growth which has been so positive for our Territory.

At the upcoming First Minister's meeting on October 3rd, we urge you to put the federal government's proposed tax changes at the top of the agenda with the Prime Minister.

The federal government has proposed the most radical changes in 50 years, including (1) a new tax (effectively 65%-73%) on investment income in a corporation, (2) a much higher tax rate for compensation in a family business deemed "unreasonable," and (3) new, tougher rules for converting income to capital gains that would make it difficult to pass a business along to family members.

We believe the tax changes will:

- Lead to lower savings within their businesses, eroding sustainability and future investment for business growth;
- Make it more difficult to pass down ownership of family-run businesses to the next generation;
- Discourage entrepreneurship;
- Reduce venture capital available to Canadian business;
- Send foreign investors away to friendlier markets; and
- Reduce economic growth and job creation in (insert your province/territory name)

There is no need for the Federal Government to rush ahead with radical tax changes. That is why we urge you to tell the PM to take these proposals off the table, and launch meaningful consultations with the business community to address any shortcomings in tax policy without unfairly targeting small businesses.

Sincerely,

A handwritten signature in black ink, appearing to read "Trevor Wever".

Trevor Wever
President, NWT Chamber of Commerce

cc: Perrin Beatty, President and CEO, Canadian Chamber of Commerce