

LEGISLATIVE ASSEMBLY OF THE  
NORTHWEST TERRITORIES  
5<sup>TH</sup> COUNCIL, 30<sup>TH</sup> SESSION

RECOMMENDATION TO COUNCIL  
NO. 4-30

TABLED ON JUNE 14, 1965



10 May, 1965.

NORTHWEST TERRITORIES

RECOMMENDATION TO COUNCIL NO. 4  
(Second Session, 1965)

FUR EXPORT ORDINANCE

FUR EXPORT TAX

DISPOSITION

Accepted as Read.....

Amended..... See Text.

Rejected..... See Text.

Deferred..... See Text.

Not considered.

**JUN 16 1965**

## FUR EXPORT ORDINANCE

### FUR EXPORT TAX

The Council of the Northwest Territories enacted legislation in 1962 amending the Fur Export Tax Schedule.

At that time, the tax on white fox and marten was reduced considerably because of low fur prices, but since 1962 no review of the schedule has been undertaken.

Prices of most fur have increased in varying degree since then and a revision of the fur tax schedule of the Fur Export Ordinance should be undertaken.

In the past it has been the practice to fix the fur export tax at approximately 5% of the average value. This has been based on the average prices realized at the fur auctions and the average prices received by the trappers in the provinces, for the most recent season. Now that Traders Fur Record Books are in general use in the Northwest Territories an exact average price for the Territories can be computed. It is estimated that the traders' prices are set to give a profit return of approximately 15% on prices realized at auction sales. Table 1 shows the basis for a recommended increase allowing for an average price 15% higher than those received by the trapper. Opening prices traders are paying in the 1964-65 season, being somewhat lower than in 1963-64, are also taken into account.

Table 11 shows the estimated increase in Fur Export Tax collections based on the average fur exports of the past three years.

The Commissioner recommends revision of the Schedule to the Fur Export Ordinance in accordance with the last column in Table 1.

TABLE I

SCHEDULE OF ROYALTIES ON RAW FURS

Species	<u>Present Provincial and Territorial Royalties - 1965</u>								<u>1963-64 Average Values</u>	<u>5% of Average Sale Value</u>	<u>Suggested Revision of N.W.T. Royalty Rates</u>
	<u>B.C.</u>	<u>Alta.</u>	<u>Sask.</u>	<u>Man.</u>	<u>Ont.</u>	<u>Que.</u>	<u>Yukon</u>	<u>N.W.T.</u>			
Bear, polar.	\$					\$2.00	\$5.00	\$5.00	\$68.91	\$3.45	\$5.00
Bear, not spec.				.05		.25		.25	11.40	.57	.50 z
Beaver.	.50	1.00	.75	.75	1.00	.75	.50	.50	12.09	.60	.75 z
Coyote.				.05			.25	.40	4.50	.23	.25 x
Fisher.	1.00	1.00	1.00	1.00	1.00	.75	1.50	1.00	10.43	.52	.75 x
Fox black.	.50					.25	.10	.10	5.00	.25	.30 z
Fox blue.		.25	.25	.25		.50	.50	.50	5.33	.27	.30 x
Fox cross.	.50	.25	.25	.25		.10	.10	.15	4.44	.22	.25 z
Fox red.	.25	.25	.25	.25		.10	.10	.15	5.00	.25	.25 z
Fox silver.	.50	.25	.25	.25		.25	.10	.30	7.98	.40	.30
Fox white.		.75	.75	.75	.75	.75	.50	.50	14.98	.75	.75 z
Lynx.	.75	1.00	.75	.50	.15	.25	.25	.75	11.98	.60	.75
Marten.	.50	.50	.50	.50	.50	.50	.50	.30	10.97	.55	.50 z
Mink.	.50	1.25	1.00	1.00	1.00	.50	.50	1.00	26.57	1.33	1.25 z
Muskrat.	.05	.10	.07	.10	.05	.05	.02	.02	1.08	.05	.05 z
Otter.	.75	1.25	1.25	1.25	1.25	1.00	1.00	1.25	19.24	.96	1.25
Skunk.				.01		.05		.05	-	-	.05
Squirrel.	.02	.02	.02	.02		.01	.01	.02	.39	.02	.02
Weasel or Ermine.	.05	.05	.05	.05	.05	.05	.05	.05	.67	.03	.05
Wolf.				.25		.25	.25	.40	12.16	.61	.50 z
Wolverine.	.25	.75	.75	.75	.40	.40	.50	.75	16.07	.80	.75

z Increase in N.W.T. Tax

x Decrease in N.W.T. Tax

TABLE II

<u>Species</u>	<u>N. T. average exports past three years</u>	<u>Proposed Increase or Decrease in tax</u>	<u>Estimated increase in revenue from proposed tax structure</u>	<u>Estimated decrease in revenue from proposed tax structure</u>
Bear, Polar	454	no change	-	-
Bear, Other	31	/ .25	\$ 7.75	-
Beaver	9,260	/ .25	2,315.00	-
Coyote	19	- .15	-	2.85
Fisher	21	- .25	-	5.25
Fox, Black	1	/ .20	.20	-
Fox, Blue	136	- .20	-	27.20
Fox, Cross	164	/ .10	16.40	-
Fox, Red	487	/ .10	48.70	-
Fox, Silver	25	no change	-	-
Fox, White	23,934	/ .25	5,983.50	-
Lynx	3,797	no change	-	-
Marten	14,478	/ .20	2,895.60	-
Mink	7,898	/ .25	1,974.50	-
Huskrat	190,223	/ .03	5,706.69	-
Otter	199	no change	-	-
Squirrel	14,471	no change	-	-
Weasel	6,180	no change	-	-
Wolf	140	/ .10	14.00	-
Wolverine	61	no change	-	-
			<u>\$ 18,962.34</u>	<u>\$ 35.30</u>
			<u>\$ 19,927.04</u>	

Estimated net increase in revenue