

For R(16)220508061

## **2008-09 Budget – Investing in the Future**

### ***Budget 2008-09 Highlights***

- ◆ The 2008-09 Budget projects a small operating surplus of \$13 million, based on proposed 2008-09 operating expenditures of \$1.217 billion. This represents an operating expenditure increase of \$64 million, or about 5.5 per cent, over the previous year's Budget.
- ◆ Total revenues are estimated to decrease 4.5 per cent from \$1.29 billion in 2007-08 to \$1.23 billion in 2008-09. The decrease is due largely to the receipt of a one-time Territorial Formula Financing adjustment in 2007-08 and projected lower corporate income tax revenues.
- ◆ The Budget also invests \$180 million in public infrastructure in 2008-09, including contributions to community infrastructure projects.
- ◆ No direct debt is forecast for the end of 2008-09. Total GWNT debt will be comprised of the \$158 million in guaranteed debt of the NWT Power Corporation, the NWT Energy Corporation and the NWT Housing Corporation.

### ***2008-09 Strategic Initiatives***

The 2008-09 Budget includes \$72 million to support investments in five strategic priorities identified by the 16<sup>th</sup> Legislative Assembly in February. These investments will be funded by \$32 million in sunsetted programs and \$35 million in expenditure reductions in 2008-09.

- ◆ ***Building our Future*** – taking actions that focus on children and youth, on promoting healthy choices, and on supporting families and seniors. Investments totalling \$18.6 million will be made in 2008-09 in encouraging healthy choices and addressing addictions, supporting victims of family violence, expanding programs for children and youth, increasing safety and security of individuals and communities and strengthening the care for seniors.
- ◆ ***Managing this Land*** – taking action toward finding the right balance between development and protection of the NWT's land and resources, and making these decisions in the NWT. A total of \$6.2 million will be invested to ensure that NWT lands and water resources are used in a sustainable way, including almost \$3 million for alternative energy projects, \$2 million for wildlife studies and environmental monitoring, almost \$600,000 to protect territorial water and \$750,000 to advance devolution discussions and develop a land use framework.

- ◆ ***Maximizing Opportunities in the NWT*** – opening the door to new developments that contribute to the North and improving the quality of education and training so that Northerners can take advantage of the jobs that are created here in the NWT. The 2008-09 Budget invests a total of \$11.7 million in strategic initiatives including over \$4.4 million to improve workplace skills, \$3 million to support economic diversification and over \$3.6 million to maximize the benefits from the Mackenzie Gas Project and other related initiatives.
- ◆ ***Reducing the Cost of Living*** – taking actions to address the high costs that stand in the way of achieving a better quality of life and affect our ability to grow and diversify the NWT economy. The Budget invests \$24.7 million in this strategic initiative including \$17 million to build affordable homes, \$900,000 for energy awareness programs, \$200,000 to improve transportation access to communities and almost \$6 million to support a re-design of the income security program.
- ◆ ***Refocusing Government*** – achieving greater effectiveness and efficiency in how the government operates and in how programs and services are delivered to the people of the NWT. \$3.7 million will be provided in the 2008-09 Budget for various initiatives including \$424,000 to establish a Program Review Office and \$2.7 million in operating funding, complemented with \$5 million in infrastructure investments, to maximize the useful life of government buildings.

### ***Revenue Initiatives***

The budget includes no tax increases. The GNWT is committed to maintaining a fair and competitive tax structure, that will generate the necessary revenues to fund programs and services, but also encourages people to live, and businesses to invest, in the NWT.

The fiscal strategy calls for \$10 million in new revenue measures starting in 2009-10. After consultation with Members of the Assembly, a paper describing revenue options will be released in the summer of 2008 for public comment. Decisions on revenue initiatives will be made following these consultations.

For R(16)220508061

## **Strategic Initiatives**

### ***Building Our Future***

*Building our Future* is about taking actions and making significant investments in prevention and the long-term well-being of the NWT population. This initiative funds actions that focus on children and youth, promote healthy choices, address addictions, support families and seniors, enhance support for the volunteer sector, and increase the safety and security of individuals and communities.

A total of \$18.6 million in new initiatives will be provided under 2008-09 funding including:

- ♦ \$460,000 to increase support and outreach services available to women and children experiencing family violence;
- ♦ \$340,000 to enhance programs at existing shelters for victims of family violence;
- ♦ \$5.74 million to continue supplementary funding of priority health initiatives using the Territorial Health Access Fund – Long-term Reform;
- ♦ \$3.1 million for long-term health reform with federal funding to enhance nursing resources in small communities and expand nurse practitioner training;
- ♦ \$1.8 million for the on-the-job community health nurse development program to help reduce patient wait times;
- ♦ \$100,000 to continue Healthy Choices Framework programs geared to improving the health of NWT residents and reducing long-term health and social service costs;
- ♦ \$1.6 million to support minority language instruction in partnership with the Government of Canada.
- ♦ \$120,000 to fund a full-time Language and Cultural instructor at Aurora College to help train qualified instructors to deliver Aboriginal language and culture programs.
- ♦ \$1 million to improve the quality of early childhood programs through a commitment to further the Language Nest Initiative, increase regional Early Childhood Programming staff to 6 person years and create an Early Childhood coordinator to build linkages between early childhood programs and the formal school system. Over time, this action will improve high school completion rates in the NWT.
- ♦ \$300,000 will be invested to develop a plan to increase the enrolment and completion rates of the Teacher Education Program by providing access to programs and practicum placements in communities and additional personal, professional, cultural and academic learning supports. Ultimately, it is expected that this will increase the number of Aboriginal teachers in the NWT school system.

- ♦ \$1 million to rationalize and standardize foster care rates to produce a foster care program that reflects the higher costs of supporting a foster child in smaller communities and ensures that equitable services are available to children across the entire NWT by 2009-10.
- ♦ \$224,000 to provide planned relief for families that care for children with disabilities. The relief will decrease stress and help primary caregivers develop the necessary skills to meet these children's social, emotional and educational needs. The initiative is to help children with disabilities develop to their full potential.
- ♦ \$125,000 to fund a permanent school-based Take a Kid Trapping program as part of the GNWT contribution to the cost of youth activities.
- ♦ \$250,000 to continue support to community governments or other organizations that operate youth centre programs in NWT communities.
- ♦ \$1.5 million to open additional RCMP detachments and support increased coverage in smaller detachments.
- ♦ \$350,000 to support communities providing ground ambulance, and/or highway rescue services and to complete the development of a new policy and funding framework for integrated territorial delivery of these services.
- ♦ \$571,000 in additional operating funds for the Territorial Supported Living Campus, which includes three adult group homes and a day program that will improve the quality of life for adults with moderate to severe cognitive and behavioural challenges.

**Building Our Future****Implement Phase II of the Framework for Action on Family Violence**

Enhance Community Services	460,000	
Stabilize Existing Shelters	340,000	
		<hr/> 800,000

**Encourage healthy choices and address addictions**

Territorial Health Access Fund - Long-Term Reform	5,743,000	
Federal Health Care Funding - Various	3,132,000	
Community Health Nurse Development Program	1,793,000	
Healthy Choices Framework	100,000	
		<hr/> 10,768,000

**Expand programming for children and youth**

Minority-Language Education and Second-Language Instruction	1,617,000	
Language/Cultural Instructor Program	120,000	
Expansion of Early Childhood Development Programs	1,000,000	
Community Based Teacher Education Program	300,000	
Foster Care Review and Standardization	1,011,000	
In House Respite Services for Families of Special Needs	224,000	
Take a Kid Trapping Program	125,000	
Youth Centres Initiative	250,000	
		<hr/> 4,647,000

**Increase safety and security**

Enhancing Policing Services	1,490,000	
Enhancing Emergency Services	350,000	
		<hr/> 1,840,000

**Strengthen continuum of care for Seniors**

Supported and Assisted Living in Smaller Communities	571,000	<hr/> 571,000
--	---------	---------------

---

---

**\$ 18,626,000**

## ***Managing This Land***

*Managing this Land* is about balancing the need for economic growth with protecting the land. It is about taking actions that protect the NWT water supply and quality; coordinate GNWT efforts to ensure economic development is sustainable for NWT land and wildlife; work proactively with residents, communities and industry on mitigation of, and adaptation to climate change; and advance alternative energy initiatives.

A total of \$6.2 million in new initiatives will be provided in 2008-09 to ensure that NWT land and water resources are used in a sustainable way that protects these resources for future generations. Funding includes:

- ♦ \$200,000 to develop a business case and choose a site for an operating wind energy turbine,
- ♦ \$450,000 for a program to establish alternative energy projects in communities,
- ♦ \$2.2 million for alternative energy projects eligible for federal Ecotrust funding,
- ♦ \$650,000 to continue funding for devolution and resource revenue sharing negotiations,
- ♦ \$100,000 in one-time funding to develop a land use framework that ensures all GNWT land use decisions are guided by a common corporate approach that supports the political development of the NWT,
- ♦ \$1.4 million to continue work for the *Barren-ground Caribou Management Strategy*, to implement an *NWT Wood Bison Strategy* and to develop a better understanding of the cumulative effects habitat change from exploration and development activities on species at risk,
- ♦ \$250,000 for the Western NWT Biophysical Study,
- ♦ \$350,000 to update the classification and mapping framework for the Southern and Northern Arctic ecozones,
- ♦ \$130,000 to develop and implement water management initiatives, especially a trans-boundary water agreement with Alberta, and
- ♦ \$425,000 to address the highest priority areas in the *Action Plan for Drinking Water Quality in the NWT* not covered under current funding.

**Managing this Land****Work to Mitigate and Adapt to Climate Change Impacts**

Wind Energy Electricity Supply	200,000	
Alternative Energy Program	450,000	
EcoTrust - mini hydro projects for communities	900,000	
EcoTrust - residual heat project	190,000	
EcoTrust - housing energy audits and solar water preheat	130,000	
EcoTrust - wood pellets, hydro and other projects	970,000	
		<hr/>
		2,840,000

**Continuing to develop governance**

Advance Devolution Discussions	650,000	
Develop a Land Use Framework	100,000	
		<hr/>
		750,000

**Environmental stewardship**

NWT Wood Bison Strategy and Caribou Studies	880,000	
NWT Barren-ground Caribou Management Strategy	560,000	
		<hr/>
		1,440,000

**Improve Environment Monitoring**

Western NWT Biophysical Study	250,000	
Ecoregion Mapping	350,000	
		<hr/>
		600,000

**Protect Territorial Water**

Participate in Management of Transboundary Waters	130,000	
Water Quality & Waterborne Diseases - increase public awareness	15,000	
Water Supply System Upgrades, Training and Support	380,000	
Pilot Studies for Remote Monitoring and Testing Water Supplies	30,000	
		<hr/>
		555,000

---

---

\$ 6,185,000

## ***Maximizing Opportunities***

*Maximizing Opportunities* is about taking actions that will maximize the benefits from NWT development and contribute to an economy that is balanced, diversified and sustainable.

Investments in key priorities that maximize the opportunities from economic development will be made with the expectation that this support for trades and apprentices and economic diversification will produce, in the long run, a balanced, diversified and sustainable NWT economy. The 2008-09 Budget includes \$11.7 million for the following investments:

- ♦ \$2.8 million to lower the pupil teacher ratio in the trades training as a way of emphasizing the trades, technical and work-related skills in NWT classrooms to help students get a better understanding of the career opportunities in the trades and develop better work-related skills and attitudes,
- ♦ \$100,000 to develop supports and plans to increase enrolments in apprenticeship programs, especially for women and Aboriginal people,
- ♦ \$200,000 to support the operation and maintenance of the Aurora College Mobile Trades Training Unit so that trades training can be expanded to include the College's Inuvik campus and outlying communities,
- ♦ \$1.2 million to support hiring apprentices in designated trades and occupations,
- ♦ \$100,000 for a marine services training program to help train employees to fill marine engineering positions,
- ♦ \$610,000 to various departments to address pressures on government programs and services associated with the proposed Mackenzie Valley Project and to prepare and implement strategies to maximize benefits and minimize negative impacts,
- ♦ \$3 million in contribution funding to the NWT Energy Corporation for the proposed Taltson Hydro Expansion Project, including development of a Project Development Agreement with the Deze Energy Corporation and Power Purchasing Agreements with the diamond mines,
- ♦ \$500,000 in increased support to NWT arts and culture, including hiring a coordinator to help groups apply for funding,
- ♦ \$67,000 in one-time funding to undertake various activities aimed at promoting the NWT at the 2010 Olympic Winter Games in Vancouver,
- ♦ \$1.6 million in a Tourism Product Diversification and Marketing Fund to provide assistance for research to identify market needs and wants, provide funding to individual operators for product development and provide assistance to Northwest Territories Tourism to promote new opportunities and markets,
- ♦ \$1 million for the new *Support to Entrepreneur and Economic Development (SEED) Policy* that will replace the Business Development Fund and grants to small business policies,
- ♦ \$140,000 for parks operations, including a \$50,000 increase in the territorial parks' operations and maintenance budget and \$90,000 for the general parks operating budget, and



- ♦ \$250,000 in additional funds for seasonal contracts for the delivery of regional, cultural and interpretive park programs.

***Maximizing Opportunities***

***Improve skills for living and working***

Pupil Teacher Ratio (PTR) - Trades	2,810,000	
Additional Support for Apprentices	100,000	
Mobile Trades Training	200,000	
Hiring New Apprentices in Designated Trades and Occupations	1,198,000	
Marine Services Training Program	100,000	
		4,408,000

***Maximize benefits from the MGP and related initiatives***

MGP Strategic Investment	610,000	
Energy Investment - Taltson	3,000,000	
		3,610,000

***Promote NWT as a place to visit and live***

Increased Support for the Arts	500,000	
Promote the NWT at 2010 Olympics	67,000	
		567,000

***Support diversification***

Tourism Product Diversification and Marketing Fund	1,560,000	
Acho Dene Koe First Nation Western Harvesters Assistance Program	132,000	
New SEED Policy and Enhanced Funding	1,000,000	
Parks renewal - Operations and Maintenance	140,000	
Cultural Interpretations at Parks	250,000	
		3,082,000

\$ 11,667,000

## ***Reducing the Cost of Living***

The cost of living is very high in the NWT and varies widely across the territory. *Reducing the Cost of Living* is about taking actions to provide long-term solutions to address this reality. The initiative includes implementing strategies that will improve the quality and cost of shelter, improve transportation access to communities, address the factors that impact the cost of goods and support individuals and families.

The 2008-09 Budget includes \$24.7 million in funding initiatives aimed directly at reducing the cost of living including:

- ♦ \$800,000 for energy awareness programs,
- ♦ \$100,000 to develop options to reduce the cost of electricity rates and regulations,
- ♦ \$400,000 to develop an *NWT Hydro Strategy*,
- ♦ \$17.1 million from the *Northern Housing Trust* to build affordable homes,
- ♦ \$200,000 to speed up Dempster Highway ice crossing construction so the highway is open to commercial vehicle traffic sooner in the winter months,
- ♦ \$155,000 in additional funding for the senior citizens supplementary benefit, and
- ♦ \$6 million to fund the change in focus of the income security program from a program of last resort to one that provides adequate financial assistance for basic needs and supports people to achieve self-reliance.

### ***Reducing the Cost of Living***

#### ***Address factors that impact the cost of goods***

EnerGuide for Houses	150,000	
Energy Efficiency Incentive Program	400,000	
Energy Information and Awareness	100,000	
Support for Arctic Energy Alliance	150,000	
Overall Review of Rates and Regulations	100,000	
		900,000

#### ***Improve quality and cost of shelter***

NWT Hydro Strategy	400,000	
Northern Housing Trust	17,100,000	
		17,500,000

#### ***Improve transportation access to communities***

Dempster Highway Ice Bridge Construction Acceleration	200,000	
		200,000

#### ***Support families and individuals***

Income Support - Senior Citizens Supplementary Benefit	155,000	
Income Security Redesign	5,950,000	
		6,105,000

**\$ 24,705,000**

## ***Refocusing Government***

This initiative refocuses government on what is most important to the long-term viability of the NWT and on delivering programs and services in the most efficient way. This includes changes in services and service delivery.

Actions and investments during the 16<sup>th</sup> Legislative Assembly will focus on undertaking a review of government programs to ensure the effective use of resources, changing the way the Government plans and delivers infrastructure, improving human resource management, implementing changes to GNWT boards and agencies, ensuring effective service delivery in smaller NWT communities and stabilizing the GNWT relationship with non-government organizations.

The 2008-08 Budget includes \$3.8 million in new initiatives including:

- ◆ \$2.65 million to address the need for maintenance to maximize the useful life of government buildings,
- ◆ \$424,000 to establish a program review office,
- ◆ \$175,000 to reduce government energy costs through a capital asset retrofit fund and hiring of an Energy Management Specialist,
- ◆ \$150,000 to improve GNWT services in official languages by piloting single window service centres for French with a planned extension to one or more Aboriginal languages, and
- ◆ \$301,000 to provide satellite time, annual maintenance and translation services for a Legislative Assembly Broadcasting system.

In addition, to new operating funding for the *Refocusing Government* initiative, the 2008-09 Budget includes \$5 million in infrastructure investments to address the need for maintenance to maximize the useful life of government buildings.

### ***Refocusing Government***

#### ***Change the GNWT's approach to infrastructure***

Focus on Deferred Maintenance	2,650,000	<u>2,650,000</u>
-------------------------------	-----------	------------------

<b><i>Conduct Program Review</i></b>	424,000	<u>424,000</u>
--------------------------------------	---------	----------------

<b><i>Managing the cost of government</i></b>		
Capital Asset Retrofit Fund	50,000	
Energy Management Specialist	125,000	<u>175,000</u>

<b><i>Strengthen service delivery</i></b>		
Support Official Languages	150,000	
Legislative Assembly Territorial Broadcasting Solution	301,000	<u>451,000</u>

	<u>\$ 3,700,000</u>
--	---------------------