



## Backgrounder

### BUDGET 2026-27 HIGHLIGHTS

- The Government of the Northwest Territories' (GNWT) Budget 2026 projects an operating surplus after adjustments of \$20 million in 2026-27 from revenues of \$2.744 billion and total expenditures of \$2.724 billion.
- Total 2026-27 spending is projected to include \$2.397 billion in departmental spending and \$326 million in other adjustments (infrastructure contributions, deferred maintenance and supplementary reserve).
- Total debt on March 31, 2027 is forecast to be \$2.21 billion. The federally-imposed borrowing limit is \$3.1 billion.

### Fiscal Strategy

- The GNWT is committed to adhering to its *Fiscal Responsibility Policy* for limiting debt accumulation, funding much-needed capital investments through the operating surplus, keeping debt affordable, and maintaining a buffer to the federal borrowing limit.
- The GNWT has a range of ongoing efforts that continue to contribute to fiscal sustainability, including the work of the Healthcare System Sustainability Unit, infrastructure lease reviews, efforts to reduce technology cost growth, and improving fleet management.

### Economic Highlights

- The forecast real GDP decline of 3.2 per cent in 2026 is driven by diamond mines coming to the end of their productive capacity, one diamond mine closing with little remediation activities, and the announced closure of the Norman Wells oil facility in 2026.
- Mineral investment expenditures are shifting from exploration to mineral deposit appraisals for base and critical minerals, suggesting that some mining projects are coming closer to the decision to build stage.
- Government expenditure (federal, territorial, Indigenous, and local) is expected to increase, helping to offset reduced activity in the dominant non-renewable resource sector.

### Revenue Initiatives

- Budget 2026 introduces no new taxes; however several fees and some property mill rates will be adjusted for inflation.

## Expenditure Highlights

- Budget 2026 provides resources to advance the 20<sup>th</sup> Assembly priorities, including highlights in the following areas:
  - **Reconciliation at the forefront**
    - Commission and install the We Always Remember monument: \$675,000,
    - Revitalize Indigenous languages through recruitment and retention of Junior Kindergarten to Grade 12 Indigenous Language Instructors: \$519,000,
    - Enhance support for Indigenous governments and organisations to enable meaningful participation in GNWT-led intergovernmental meetings and processes and to implement the *United Nations Declaration on the Rights of Indigenous Peoples Implementation Act* Action Plan: \$666,000, and
    - Enhance support for the Official Languages Board to meet its responsibilities under the *Official Languages Act*: \$68,000.
  - **The suitability, accessibility and affordability of housing**
    - Support emergency shelters in Yellowknife, Hay River, Inuvik and Fort Simpson and establish a homelessness division within Housing NWT to improve oversight and coordination: \$8.3 million,
    - Transitional and supportive housing and family violence prevention: \$4.1 million, and
    - Yellowknife Day Shelter and Sobering Centre: \$460,000.
  - **A strong economic foundation**
    - Implement the *Mineral Resources Act* regulations: \$400,000,
    - Accelerate land tenure transfers: \$367,000,
    - Support the film industry through the Northwest Territories Film Commission and restoration of the Producers Incentive Program: \$345,000,
    - Support the GNWT's *Tourism 2030: Sustainable Journeys Ahead* strategic plan: \$335,000, and
    - Support the development of a legislative initiative to broaden regulated gaming activities in the Northwest Territories: \$300,000.

○ **Access to health care and addressing the effects of trauma**

- Create a 24-hour, seven-days-a-week laboratory and diagnostic services at Stanton Territorial Hospital: \$3.1 million,
- Support the long-term and extended care beds and improve reception capacity at the Łıwegòatì Building: \$1.7 million,
- Make permanent the school-based Mental Health and Wellness pilot project: \$1.7 million,
- Permanently support the 811 Health Advice Line: \$740,000,
- Improve security at the Hay River Regional Health Centre: \$589,000,
- Renew essential biomedical equipment: \$562,000,
- Continue outpatient intravenous therapy at Stanton Territorial Hospital: \$549,000,
- Launch a two-year project for medical travel case management: \$486,000,
- Implement recommendations from the Small Community Model and Care Review: \$287,000, and
- Maintain availability for the Medical Assistance in Dying (MAID) program: \$216,000.

○ **Safe residents and communities**

- Add to wildfire response capacity and support climate-change risk mitigation activity: \$8 million,
- Complete disaster recovery claims: \$1.4 million,
- Increase support for essential municipal services and infrastructure: \$1.4 million,
- Support community level emergency services, firefighter education and development: \$270,000, and
- 2023 Emergency Response After-Action Review recommendations: \$790,000.