

### Budget 2019-20 Highlights

- The Government of the Northwest Territories (GNWT) Budget 2019-20 projects revenues of \$1.933 billion and expenditures of \$1.873 billion after adjustments, producing an operating surplus of \$60 million.
- Budget 2019-20 proposes \$89 million in increased spending, partially offset with \$20 million in savings and expiring programs, and \$30 million new federal transfers and carbon tax revenue recycling.
- The operating surplus provides a portion of the resources to pay for the \$199 million infrastructure budget approved in October 2018.
- Overall spending in 2019-20 (operations and infrastructure) is expected to result in a cash deficit of \$7 million. This will mean total short-term borrowing will increase to \$325 million by the end of 2019-20.
- Total debt is projected to increase to \$1.1 billion by the end of 2019-20. The GNWT will remain below its federally-imposed \$1.3 billion borrowing limit.
- The Northwest Territories economy is forecast to increase 2.1 per cent in 2019 after an estimated 0.3 per cent gain in 2018, with forecast growth including continued diamond production, resumption in oil extraction, and public investments such as the Tẖcẖo All-Season Road.

### Fiscal Strategy

- Budget 2019-20 continues the fiscal strategy, achieving substantial progress on the Assembly's priorities and making significant infrastructure investments.
- Budget 2019-20 continues the prudent fiscal management that has earned the GNWT a high credit rating.

### Revenue Initiatives

- Budget 2019-20 adjusts the property and education mill rates for inflation, in line with the GNWT's indexation policy on taxes and fees.
- Legislation to implement the NWT Carbon Tax effective July 1, 2019 will be introduced in this Session as part of the GNWT's commitments under the *Pan-Canadian Framework on Clean Growth and Climate Change*.

## **Expenditure Initiatives**

### ***Community Wellness and Safety***

- \$15.179 million for the Stanton Territorial Hospital, including an annual service payment and to commission the hospital for use.
- \$5.895 million for health services, including:
  - \$2.069 million for enhancing extended health benefits and Métis health benefits;
  - \$1.608 million for standard physician contracts for 2016 to 2021;
  - \$972,000 for diagnostic laboratory services and medical supplies;
  - \$401,000 for rehabilitation services for children, including three new positions (Speech Language Therapist, Occupational Health Therapist, and Audiologist);
  - \$373,000 for Territorial Midwifery Program enhancements, including a clinical specialist and two midwives;
  - \$352,000 for chemotherapy program service delivery improvements at Stanton Territorial Hospital, including an additional nurse and clerk; and
  - \$120,000 to enhance support for children with suspected or diagnosed autism.
- \$4.922 million to address the needs of vulnerable persons, including:
  - \$1.734 million to establish a combined day shelter and sobering centre;
  - \$1.676 million for increased demand and living costs for Income Assistance;
  - \$897,000 for family violence shelters across the NWT;
  - \$515,000 for the Public Housing program for water and sanitation costs; and
  - \$100,000 per year for three years for an affordable housing partnership with Habitat for Humanity to build up to two affordable housing units per year.
- \$3.279 million to increase the capacity of Child and Family Services, including hiring more social workers across the territory and adding support positions at the Health Authority and department level to ensure consistency and sufficient oversight.
- \$3.190 million for supporting education, including:
  - \$2.064 million for additional school and community child and youth care counsellors in the Beaufort Delta and Sahtu regions and to improve the delivery of mental health support to the smallest communities in these regions;
  - \$432,000 for the continued expansion of the Northern Distance Learning program;
  - \$379,000 to establish a Specialized Territorial Support Team (Educational Psychologist, a Behavioural Specialist, and an Occupational Therapist); and
  - \$315,000 to expand Northern Studies by improving the Northern Studies 10 curriculum and developing new Northern Studies for grades 11 and 12.

- \$2.014 million for supporting seniors and long-term care, including:
  - \$1.016 million to support the Sahtú Got'iné Regional Health and Social Services Centre and Sahtú Dene Nechá Kó'Ko Health Care Facility in Norman Wells; and
  - \$998,000 to increase the Income Assistance disability and aged allowance rates.
- \$1.389 million for RCMP support for mandatory training and administrative costs.
- \$1.348 million to establish an NWT-wide 911 Service.
- \$1.002 million for mental health initiatives, including:
  - \$602,000 for incremental funding for implementing the *Mental Health Act*; and
  - \$400,000 for land-based mobile addictions treatment and aftercare.
- \$350,000 in increased funding to stabilize non-government organization operations.

### ***Economic Growth, Labour Force Development and Land Management***

- \$3.574 million for training and post-secondary education, including:
  - \$2.992 million for the Canada-Northwest Territories Workforce Development Agreement to train labour and support workforce development and build employment partnerships;
  - \$459,000 for student transportation cost increases; and
  - \$123,000 to increase the Student Financial Assistance course reimbursement rate from \$500 to \$800, and to increase the lifetime limit on course reimbursements from \$5,000 to \$8,800, as well as to support Aurora College family housing in Inuvik.
- \$2.622 million to address land management, including:
  - \$753,000 for a Wek'èezhìi public land-use planning committee and Behchokò office;
  - \$674,000 to enforce land tenure and develop an approach to address unauthorized and rights-based occupancy;
  - \$563,000 to address equity lease issues;
  - \$329,000 for a new geotechnical advisor position to support management of public land and a new geomatics analyst position for territorial land administration; and
  - \$303,000 for better financial reporting by the Surface Rights Board.
- \$2.054 million for infrastructure maintenance, including:
  - \$1.032 million for increased maintenance and utilities for new capital projects;
  - \$622,000 for maintenance on Highway 8 and the Dempster Highway; and
  - \$400,000 for maintenance and utilities for ferries.

- \$1.712 million to support resource development, including:
  - \$1.2 million for the Slave Geological Province Exploration Development Initiative, which NWT Geological Survey cost-shares for geoscience activities;
  - \$375,000 to implement the *NWT Petroleum Resources Strategy*; and
  - \$137,000 for the Mining Recorder's Office to support prospectors and developers.
- \$1.564 million to diversify the economy, including:
  - \$800,000 in funding to support annual large-scale tourism marketing campaigns;
  - \$225,000 to develop and implement a knowledge economy strategy;
  - \$208,000 for park operations to reflect increased costs;
  - \$181,000 to market the NWT Film Rebate Program, and to expand the capacity of the NWT Film Commission; and
  - \$150,000 to determine the feasibility of building the Centre for Northern Sustainability and Community Resilience.
- \$1.263 million to support infrastructure delivery, including:
  - \$1.013 million to deliver *Investing in Canada Infrastructure Plan* resources, supporting six new positions for the GNWT; and
  - \$250,000 to lead the advancement of various large capital commitments with federal funding.
- \$889,000 in arts and culture funding, including:
  - \$689,000 in maintenance funding for the Prince of Wales Heritage Centre; and
  - \$200,000 to increase funding for the NWT Arts Council.

### ***Environment and Climate Change***

- \$12.5 million for NWT Carbon Tax rebates and benefits.
- \$8.682 million for low carbon economy initiatives, including:
  - \$7.746 million for incremental funding for Arctic Energy Alliance programs and services, support for active forestry carbon sequestration, and funding under the NWT Housing Corporation;
  - \$555,000 to implement the *2030 NWT Climate Change Strategic Framework*, including additional funds for data management, reporting and outreach; and
  - \$381,000 for a new environmental assessment of the Inuvik Tuktoyaktuk Highway.

## ***Governance***

- \$5.078 million for public service compensation and benefits. This includes implementation of the collective agreement with the NWT Teacher's Association and increased costs for medical travel and dental costs for all GNWT employees.
- \$2.120 million for improving service delivery, including:
  - \$407,000 to support the Enterprise Licensing and Permitting Service and Support Model, comprising three new positions and related operating budget;
  - \$400,000 to create a new Information Systems Shared Services unit;
  - \$303,000 for the Legal Aid Commission to better organize the division in response to rising demand for services and a larger staff complement;
  - \$300,000 for on-going funding for the two Government Services Officers in Jean Marie River and Sambaa K'e added in 2018-19;
  - \$269,000 for an Access to Information and Protection of Privacy shared services unit;
  - \$234,000 for chargeback costs to the Technology Services Center; and
  - \$207,000 to establish the Ombudsperson Office.
- \$1.9 million for community government support, including:
  - \$1.789 million in funding for community government operations, maintenance, and water and sewer services; and
  - \$111,000 for the Grants-in-Lieu of Property Taxes program.
- \$400,000 for a new program to provide contributions to offset the costs of secondment agreements with Indigenous Governments to help build human resource capacity.
- \$288,000 to support improved governance, including:
  - \$250,000 for Self-Government Implementation negotiations; and
  - \$38,000 for the Women's Advisory Council to advance the objectives of the Women in Politics initiative (communications plan and awareness campaign).