



How the Budget Works

The Budget is the Government's plan for its revenues and spending for a fiscal year by providing an estimate of the amount of revenue that the Government expects and describes how these revenues will be distributed to the various programs and services.

1) Prepare

Departments and agencies develop **BUSINESS PLANS** that outline operating plans for the coming years that will support the GNWT's goals. **BUSINESS PLANS** are reviewed and commented on by Members of the Legislative Assembly (MLAs) before being adopted.

2) Draft

The GNWT prepares two budgets annually:

- the **CAPITAL ESTIMATES** for proposed infrastructure spending; and
- the **MAIN ESTIMATES** for proposed operations and maintenance spending.

3) Review

Both budgets are tabled for review and approval by all MLAs in the Legislative Assembly:

- the **CAPITAL ESTIMATES** are typically tabled during the Fall session to prepare for the winter supply and summer construction seasons; and
- the **MAIN ESTIMATES** are tabled in the Winter session (prior to the start of the new fiscal year)

4) Adjust

If required, budgets can be adjusted within the fiscal year by:

- tabling **SUPPLEMENTARY ESTIMATES** during regular sessions to respond to unforeseen needs; or
- requesting a **SPECIAL WARRANT** to respond to needs on an emergency basis.

The GNWT develops a new **FISCAL STRATEGY** at the beginning of each Legislative Assembly to set expenditure and revenue targets for GNWT departments and agencies for the next four years.

Monitoring

The GNWT uses **VARIANCE REPORTS** to monitor actual expenses and revenues for each department and agency compared to the budgeted amounts.

The annual financial statements of all GNWT departments and agencies are presented in the **PUBLIC ACCOUNTS**.