

Budget 2015-16 Highlights

- Budget 2015-16, the final Budget of the 17th Legislative Assembly, takes stock of the accomplishments of the last three years and provides \$24 million in new and re-profiled funds to invest in continuing the priorities of the 17th Legislative Assembly.
- The Government of the Northwest Territories (GNWT) has maintained fiscal prudence in its operating budget with growth in program spending averaging close to half of what it was four years ago. Including the operating surpluses projected for 2014-15 and 2015-16, the Government will have achieved five years of consecutive operating surpluses. These operating surpluses have allowed for an additional \$100 million in capital investment for 2014-15 and 2015-16.
- The 2015-16 Budget projects an operating surplus of \$147 million in 2015-16 from revenues of \$1.83 billion and expenditures of \$1.68 billion. Borrowing is projected to be \$714 million at March 31, 2016, allowing \$86 million in borrowing room under the federally-imposed \$800 million borrowing limit.
- The Northwest Territories economy is expected to grow in 2015, reflecting the investments to develop the Northwest Territories' fourth diamond mine and build the Inuvik-Tuktoyaktuk Highway.

Revenue Initiatives

- Budget 2015-16 does not include any new taxes. Effective April 1, 2015, property tax mill rates and a number of fees will be adjusted for inflation, in line with the GNWT's indexation policy on taxes and fees.

Expenditure Initiatives for 2015-16

- The 2015-16 Budget proposes to invest \$24.2 million from new and re-profiled funds to complete initiatives that address the priorities of the 17th Legislative Assembly.

Investing in People

Budget 2015-16 provides \$4.9 million in funding for actions in support of improving health and well-being, including:

- \$1.12 million to support the *Early Childhood Development Action Plan* and enhance community-based early intervention service delivery to improve the care of youngsters.
- \$432,000 for a pilot project in Yellowknife and Inuvik to establish a unit that can integrate cases, especially cases of people with complex needs, across government departments.

- \$618,000 for direct care supports in three facilities in Yellowknife, Fort Simpson and Fort Smith.
- \$646,000 to support long-term employable income assistance clients to gain permanent employment.
- \$1.1 million for specialized courts.

Investing in the Economy

Budget 2015-16 continues actions to build a diversified economy that will provide all communities and regions with opportunities for resident employment and business success through \$5.2 million in new initiatives, including:

- \$1.0 million in funding to support hosting the 2018 Arctic Winter Games in a community, or group of communities, outside of Yellowknife.
- \$2.46 million for initiatives to support the *Economic Opportunities Strategy*, including the establishment of a convention bureau, funding for the agriculture strategy, a film industry pilot project, a business internship, and \$1.5 million in support for the commercial fishing industry.
- \$1.74 million in support of measures under the *Mineral Development Strategy*.

Investing in Energy

Budget 2015-16 adds \$4 million in continuing initiatives to reduce the territory's reliance on non-renewable energy sources, with objectives to lower the cost of living and reduce NWT greenhouse gas emissions, including:

- \$1.4 million in this Budget to continue energy conservation efforts including \$400,000 in additional funding for Arctic Energy Alliance regional energy advisors; \$400,000 to convert streetlights in NTPC thermal communities to more efficient LED streetlights; \$300,000 to fund the Hot Water Heater Replacement program; \$200,000 for the Commercial Energy Efficiency Program and \$100,000 for the Energy Efficiency Incentive Program.
- \$2.6 million to continue efforts to explore alternative energy sources including \$100,000 in additional funds to support the Alternative Energy Technology program; \$700,000 to install solar panels on 30 public housing units; \$500,000 to integrate solar panels with the new diesel plant in Colville Lake; \$125,000 to support solar energy smart grid technology in communities; \$175,000 to test the feasibility of large-scale wind-generated power near Storm Hills; \$450,000 to continue to promote community biomass energy projects; and \$325,000 to complete liquefied natural gas feasibility studies.

Supporting the Environment

Budget 2015-16 continues support for environmental stewardship to ensure an environment that will sustain present and future generations with \$1.27 million in new initiatives including:

- \$577,000 to take over the operation of the Taiga Environmental Laboratory. These added costs are expected to be partially offset by the revenues that will be received from the facility's operations.

- \$694,000 to establish the Western Arctic Centre for Geomatics in Inuvik - a three staff office that will provide geomatics services such as remote sensing and research support.

Enhancing Service Delivery

Budget 2015-16 continues efforts to improve service delivery with \$5.6 million in new or continued actions including:

- Re-profiling resources to establish two new Government Service Officers in Trout Lake and Wekweètì.
- \$2.5 million to enhance the delivery of French language services and communications.
- \$1.5 million to integrate regional Health and Social Services Authorities' information systems with an Information Systems Service Centre.
- \$813,000 for actions to decentralize positions to the regions.
- \$210,000 for the consolidation of energy functions within Public Works and Services.
- \$29,000 for a Medevac Triage and Afterhours Pilot Project under the Territorial Support Network that provides continuous practitioner-to-practitioner distance support for life-dependent emergency medical evacuation triage and coordination services.

Devolution Implementation

Budget 2015-16 adds \$3 million to complete devolution implementation and to fund activities necessary to deliver new resource management program responsibilities that were not identified in the initial implementation process including:

- \$1.2 million to address the impact of final devolution implementation actions on regular department budgets.
- \$1.0 million to establish a new Liabilities and Financial Assurances Division to coordinate management of financial securities for resource developments to ensure that companies will meet their obligations for the closure and reclamation of disturbed sites.
- \$415,000 for new lands and resource specialists and a legal advisor to ensure a coherent and well-planned policy base for building relationships with the new Boards and for the necessary coordination of GNWT decision-making with Canada for environmental assessment, inspection and enforcement of existing operations.

Looking Forward – Fiscal Strategy

- Over the four years from 2015-16, total revenues are projected to grow by about 0.1 per cent annually, while expenditures are forecast to grow about 2.1 per cent per year, which rapidly reduces the size of the operating surplus over the medium term.
- In the absence of revenue growth, the GNWT will require a realignment/reduction of current operating/infrastructure budgets in future years to ensure that expenditure growth remains in line with revenue growth.