

# 58 Jobs Affected in GNWT Budget Cuts

Ahead of next week's opening of the Legislative Assembly, word comes that feared layoffs are less than expected

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Just short of 60 GNWT employees were given notice today that their jobs would be affected by the long-anticipated austerity budget that will be tabled in the Legislative Assembly next week.

“While the approximately 58 affected employees have been notified, no decisions have been made at this time,” according to a GNWT backgrounder made available to EDGE.

It's unclear at this point how many of the 58 positions are being eliminated outright; the backgrounder states that “an affected employee is... subject to voluntary separation due to his/her position being transferred to another community, or lay-off due to their position being eliminated as a result of reorganization, business plans or other formal organization change.”

People receiving notices today now enter into an eight-week “affected notice period” — those who don't receive other job offers from the GNWT are considered to have been laid off. During the period, however, affected employees will get priority on all vacancies in their “home department,” and “if no options in their home department are available, they will have priority on all government jobs until the end of the notice period.”

The backgrounder adds that “reasonable job offers” will be “normally at a pay level equal to or greater than the employee's current level and where practicable, within the employee's community of residence,” and of the same length of time as the remainder of current employee's contract, if they're a “term employee.”

## Less than expected

Today's cuts are not insubstantial, but they're not as high as many people had been expecting, following months of signalling from the government that the GNWT is in serious financial trouble.

“I've heard crazy rumours of 1100 people being cut; let me tell you, it's a fraction of that amount, less than 100 people,” Yellowknife Centre MLA Julie Green told EDGE, before we received the exact number. “I've also heard from the Minister Responsible for Human Resources [Glen Abernethy] that the intention is to try and retain everyone who wants to stay working for the GNWT.”

“I don't want to underestimate the impact for individuals. If they get laid off it's a disaster for them. But it's a question of scale,” added Green.

Both Green and Yellowknife Centre MLA Cory Vanthuyne said they'd been pleasantly surprised by departmental business plans, which outline spending and cuts over the next year, presented to regular MLAs over the past few weeks.

“There was not as much tension as was expected,” said Vanthuyne. Though he added that there remains some philosophical disagreement between the government and the regular MLAs, whose support is needed to pass the budget.

“The economy and cost of living needs to be dealt with, but not taking hack-and-slash measures... Cuts for the purposes of getting cash flow is different than identifying efficiencies,” said Vanthuyne. “There are still a few non-starters on the table... matters that will likely have to go to a lengthier debate on the floor.”

## **Why the doom?**

The fact that MLAs and many members of the public have been steeling themselves for the worst isn't just a case of unjustifiable pessimism. The fear of large-scale cuts has been fuelled by oblique proclamations from people like out-going commissioner George Tuccaro — “The Government of the Northwest Territories believes the choice is clear and that it must reflect the traditional values of thrift and self-reliance that Northerners have always displayed” — and more direct statements from ministers themselves. In February, Finance Minister Robert C. McLeod announced that the GNWT would have to find \$150 million over the next five years, through a combination of revenue growth and spending cuts.

Low commodity prices, unexpected expenditures from forest fires and low-water levels, and the general habit of spending more than it's taking in, has supposedly led the GNWT to the point where — in the colourful language of former Finance Minister Michael Miltenberger — “We are approaching the edge of a cliff and our challenge is to ensure that we do not go over.”

The fact that government reaffirmed, very publicly, its “fiscal policy framework” — basically, keeping operational spending in check to focus on infrastructure — meant cuts were more likely to hit programs and personnel than visions of highways to Whati.

“I think the government could improve their communications around the budget and around the fiscal situation,” said Julie Green. “There seemed to be some exaggeration about the status of the territorial finances, and I think they've created a lot of anxiety.”

We'll have to wait until next week, when the operations budget is tabled in the House (the capital budget won't come until the fall), to know how austerity is going to affect programs, and exactly where those 58 positions are disappearing from. Given the GNWT's apparent attempt to limit job cuts and the relatively optimistic stance of several regular MLAs, it seems reasonable to expect the government will be seeking to save money by cutting unfilled positions and consolidating services that are replicated across different departments.

That doesn't mean the upcoming session won't be a tense one. Regular MLAs were throwing their weight around during the short session earlier this year, making sure their visions for

government made their way into the Legislative Assembly's first-ever policy mandate. If it turns out the money and the mandate don't align, the government may still have trouble picking up the three regular members needed to pass their budget.