

MEMBER STATEMENT—JULIE GREEN, MLA YELLOWKNIFE CENTRE

BUDGETARY PRIORITIES AND CONSULTATION PROCESS

February 19, 2016

Mr. Speaker, last Tuesday the Regular Members of the Priorities and Planning Committee issued a media release to give our view of the budgetary process now underway, and to propose some priorities for measures and public consultation. I would like to add that information to the record here by speaking of it.

The government's media release of February 9, 2016 said: "The GNWT is committed to working closely with MLAs to identify practical solutions to the fiscal challenge", and that "The GNWT will develop proposals and share them with MLAs for input prior to the preparation of business plans."

Yet Regular MLAs are concerned that government has decided on a course of action, a concern that is exacerbated today when we hear the finance minister say he is not looking at any new taxes, \$150 million in cuts, and a freeze on senior government salaries, none of which were agreed with by this side of the House.

The Standing Committee on Priorities and Planning's media release of February 16, 2016 called on government to ensure effective public engagement on government budgets to ensure spending and programs are aligned with the 18th Assembly's stated priorities, to create new sources of revenue, invest in infrastructure projects and economic incentive programs, and fund cost-saving efficiencies within government.

The committee is asking the government to balance new revenue generation, program efficiencies, and cost-saving measures to ensure a change of course is not detrimental to our economy.

Key among these recommendations is the need for public consultation. The previous finance minister went to the public last fall on budget preparation, but he did not consider at that time how to increase revenues.

The picture has changed since last fall, with the closer of Snap Lake and the federal territorial financing formula, to the tune of \$10 million.

Now is the time to consult, before the June offering of the full operating budget, and there is a model convenient to hand. The government of Newfoundland and Labrador, faced with the recent crash in oil prices, moved swiftly to public consultation on budgetary measures. They recognized their fiscal situation was not temporary.

They recognized their fiscal situation was not temporary and that before setting a direction that would be long-term, they would ask the citizens their views. They are asking citizens to identify a combination of measures to increase revenues, reduce expenditures, eliminate waste, and establish fiscal targets.

Citizens have many choices for participation. They can comment on a discussion document, attend public discussion sessions and town hall meetings, host their own meetings, and make submissions online.

In order to focus their comments, residents were asked to comment on three main questions:

1. What three things could government stop doing in order to save money?

2. What three new things could government do to raise money?
3. How can government be more innovative or efficient to provide quality services at lower costs?

These are the questions we need to ask the residents of the NWT, and since we can expect our fiscal situation to be as equally long-term as Newfoundland's, we need to build public support, ownership, and partnership in making our fiscal approach work.

These questions align very well with the priorities called for in our committee's release. As this government points out and Newfoundland realized, our financial situation is not going to change in the short term. Government needs to move forward in partnership with civil society. It's not too late for consultation, and budgeting can't begin without it.