

MEMBER STATEMENT—JULIE GREEN, MLA YELLOWKNIFE CENTRE

TRACKING THE GNWT'S FISCAL PERFORMANCE

June 29, 2016

MS. GREEN: Mahsi, Mr. Speaker. Mr. Speaker, one of the things I have learned since becoming an MLA is that if you want to judge the quality of the GNWT's fiscal performance, you have to be tenacious. Even then, the answers may be elusive. Mr. Speaker, it doesn't have to be that way.

In the 2014-15 budget address, the Minister of Finance of that day said, "Our fiscal strategy is built on our commitment to adhering to our Fiscal Responsibility Policy and achieving the operating surpluses necessary to fund at least half of our planned capital investment." He said the government would generate an operating surplus which would be used to fund multimillion dollar capital investment programs.

To follow the intention of the budget address and main estimates, we could then turn to the public accounts for that year. They are, of course, the government's financial statements. Mr. Speaker, the public accounts are written by accountants for accountants. They are dense and difficult to understand. But they are also a key mechanism of government accountability.

During the review of the public accounts, the current Minister was asked if the department had met the commitment for a budget surplus. It was difficult to get a straight answer from the Department of Finance. After more probing, the committee learned that the GNWT achieved an operating surplus, but less than the amount projected. In the same budget, infrastructure spending for that fiscal year, which should have been based on the fiscal responsibility policy, in fact came in higher than that of the amount projected. This means that the GNWT overspent by millions on infrastructure in the fiscal year 2014-15, and it exceeded its commitment to fund half of this from operating surpluses.

There are two problems here, Mr. Speaker. The first is that it seems the government did not adhere to the fiscal responsibility policy, one of the cornerstones of this government. And second, compounding that problem is the fact that this reality is not revealed in any plain way through the government's financial statements. It has to be unearthed with effort. Mr. Speaker, this is not acceptable. Mahsi.