

## **MEMBER STATEMENT—JULIE GREEN, MLA YELLOWKNIFE CENTRE**

### **REPLY TO THE BUDGET ADDRESS**

**February 6, 2017**

**MS. GREEN:** Mahsi, Mr. Speaker. Mr. Speaker, if the preparation of the budget for the last fiscal year was a sprint, quickly compiled after the election, budget preparation for the next fiscal year has been a marathon. We started in September and, despite intensive negotiations and some movement on both sides, we are at an impasse. This afternoon, I want to talk about some of the reasons we are stuck.

In my last Budget Address, I talked about some important and unfinished business around the mandate. We Members of the 18<sup>th</sup> Assembly do not have a common fiscal goal. This lack of consensus created division during the last budget, and it is fueling division again. The government wants to reduce spending in order to generate a cash surplus. This surplus would be invested in infrastructure. Specifically, the government suggested we cut \$150 million in spending over the life of this Assembly to create that surplus.

We Regular MLAs rejected the size of this cut, describing it as austerity for the NWT at a time when investment was needed instead. There has been some movement on this point. In his budget last week, the Finance Minister revised the scope of the cuts to \$100 million.

Mr. Speaker, the Finance Minister is playing the long game with his fiscal strategy. While the cuts proposed in this budget will generate a small \$15 million surplus by next March, that surplus will grow to \$167 million by the end of our term. The Finance Minister will then be able to claim he has generated the first cash surplus in 10 years. To be clear, he is proposing to reverse the deficit the government spent 10 years creating in just four years. The question is: at what cost to the people of the NWT? We are back to our original question: do we need austerity or do we need investment?

We are looking at as many as 200 positions being eliminated this fiscal year and next, creating a major hit to the public service and to local economies throughout the Northwest Territories. As the reality of those losses combined with the slow-down of our economy sinks in, how do we reverse the flow of out migration? The number of people leaving the NWT is at nearly the same level it was during the recession of 2008. My answer to these questions is simple: we can't afford to lose any more jobs or any more people because of decisions made by this government.

**SOME HON. MEMBERS:** Hear, hear.

**MS. GREEN:** Mr. Speaker, I am now going to turn from the fiscal context to the budget itself. The budget isn't all bad news by any means. There are some important investments for residents of my riding, Yellowknife Centre. Downtown residents have been struggling with the effects of a growing population of people who are regularly intoxicated and who may also be homeless. While this population is mostly not from Yellowknife Centre originally, or even from Yellowknife, they have been drawn

downtown by their needs and/or addictions. Until recently, our response to this population has been wholly inadequate, and I'm glad to say that's changing.

The location of the day shelter kitty-corner to the liquor store on 49<sup>th</sup> Street has been a source of bitter complaint, especially from some of my constituents who live at the Northern Heights condominiums on the same street. Among other unpleasant facts, they often encounter bodily waste on the street and verbal harassment when they enter the building or parking garage.

I appreciate the commitment by the Minister of Health and Social Services to move the day shelter as soon as another location is found. I am mindful, however, that the day shelter is unlikely to be welcomed anywhere because of a strong "not in my back yard" reaction to the people who use it.

Thanks to the good work done by the authors of the Yellowknife Homelessness Road Map Action Plan, an investment by both the City of Yellowknife and GNWT, progress on the long-standing problems downtown is at hand. The city has advertised for a service provider for the Street Outreach Service. It's my understanding that paid staff with a vehicle will circulate through downtown assisting individuals in need, and in some cases transporting them to the appropriate facility. I welcome the territorial government investment in a sobering centre as a destination for men and women who are intoxicated. I want to see the program implemented as soon as possible for the sake of those individuals who are intoxicated, as well as for those of us who live and work downtown.

I'm also encouraged to see a further investment in the emergency shelters to expand their capacity to offer semi-independent living.

Mr. Speaker, Yellowknife Centre has a large population of seniors. They live at AVENS, Mary Murphy, and in their own homes. As a reminder, the population of seniors is growing like a forest fire on a hot, windy day and is now nearing its peak. The waiting list for the independent living units at AVENS is six years long, and there are waiting lists for the manor and the dementia facility as well. We need to increase services to seniors now.

The Finance Minister's commitment to provide \$500,000 to low-income seniors for repairs to their homes is welcome, but it doesn't go nearly far enough. I suggest this amount of money could be spent in Yellowknife Centre alone. Its impact spread among 19 ridings will be negligible.

One of the investments MLAs on this side of the House want to see is an additional \$1.3 million to help seniors age in place. Not only do most seniors want to stay in their own homes for as long as possible, there are considerable savings for government if they make these investments, and all this money gets spent with local small contractors.

Mr. Speaker, Regular MLAs have heard the concerns of seniors about the need to increase homecare services, a key element to help seniors age in place. In a letter to MLAs last fall, the president of NWT Seniors wrote, and I quote:

"The field of homecare has been eroded in our territory to the point where frustration and worry about the future are common concerns expressed by patients, healthcare professionals, and homecare staff. We need a new influx of money to fill the gaps that exist in actualizing our priorities, such as aging in place."

These investments in caring for seniors need to be increased as soon as possible.

I want to touch on other welcome news. Yellowknife Centre residents, along with people across the NWT, will benefit from implementing a basic 9-1-1 emergency response service. Given all the time that Yellowknifers spend on trails and lakes around the city, residents will experience a greater peace of mind knowing that help is a phone call away.

Mr. Speaker, I heard from many Yellowknife residents in the last month about the need to fully fund the implementation of junior kindergarten. Their argument was clear and compelling: another year of school should be added at the expense of students in kindergarten to grade 12. I'm pleased the Minister heard this message and agreed to fully fund education for four-year-olds starting this September. There are still some loose ends around the need to spend more on bussing, extending inclusive schooling to junior kindergarten, and accommodating other service providers who work with the four-year-olds, but I'll expand on these issues at another time.

Mr. Speaker, residents in Yellowknife Centre and across the NWT find that their spending power has been diminished. The price of rent, electricity, and food are big drivers of the cost of living here in Yellowknife. Many families have trouble making ends meet even when both parents work full-time. I'm hopeful that the new NWT Child Benefit will supplement the advantage of the Canada Child Benefit in reducing poverty, especially among children.

As I mentioned a few minutes ago, it's a sad fact that one in five children in the NWT lives in poverty. We can't expect them to realize their full potential while their family struggles with hunger and providing them with other necessities. The NWT Child Benefit is expected to reach 1,600 families with an income of less than \$80,000 a year. That's a step in the right direction, as is the proposed increase in income assistance allowances to cover the higher prices of food and other necessities.

Mr. Speaker, Regular MLAs wanted to see additional investments in budget 2017. The gap between what the government is offering and Regular MLAs have requested is worth about \$10 million, or 0.6 per cent of the total \$1.7 billion budget. This is a small number for such a great gulf from achieving consensus. In addition to the initiatives I've already mentioned, we want to see an additional half a million dollars added to the Anti-poverty Fund. As I mentioned just now, the fund provides small grants to grass-roots organizations across the NWT to respond to poverty at the local level.

Mr. Speaker, applications for funding outstripped money available by a ratio of 4:1 last year. As I said in my statement today, no real change in the multi-generational cycle of poverty will be achieved until we invest in reducing the number of people who live in poverty.

Mr. Speaker, we also want to see a half-million dollar investment in suicide prevention funding. There were a number of suicides across the territory last year; an indication of the pervasiveness of mental health needs, especially among youth. These issues are often driven by addictions, so we need to be able to address mental health and addictions together. We need to improve our response to this cry for help by our young people as soon as possible.

Regular MLAs also wanted to see an additional \$600,000 investment to create a mobile delivery model for a healing program that assists men who have used violence in their intimate relationships.

Mr. Speaker, we also want to see almost \$3 million invested in ITI to benefit businesses of all kinds, from assistance to junior mining companies through the Mining Incentive Program to offsetting the costs of freight the fishermen pay on their catch.

Mr. Speaker, 146 businesses opened in Yellowknife in 2015, according to city statistics. Small business is a key driver of our economy, and Regular MLAs propose to support that growth with an additional \$1.2 million investment in the Support for Entrepreneurs and Economic Development, or SEED, program. Anyone who has attempted to open a small business will appreciate our call to reduce the administrative complexity of establishing a new business.

Mr. Speaker, MLAs on this side also wanted \$1 million invested in local access roads and \$1.5 million for the Arctic Energy Alliance to expand its work to low-income families and communities outside Yellowknife. All of these investments respond to the priorities we set out in our mandate to increase energy efficiency and reduce the cost of living.

Mr. Speaker, we also wanted the government to roll back a little more than half of the proposed reductions, at a cost of about \$15 million. The Finance Minister didn't detail the reductions in his Budget Address, but they are available in the Main Estimates, and the Main Estimates are online at the Department of Finance. There, you will see a \$2.3 million cut in funding to schools and a \$1.9 million cut to Aurora College, cuts to environmental monitoring, and cuts to funding for small business startups, and the list goes on. The biggest cut is to the government's workforce. A total of 65 positions will be eliminated by this budget, 45 of them in Yellowknife.

Mr. Speaker, the loss of these positions is a disaster for the city, coming as it does in addition to a year of grim announcements by the diamond mining companies. In November, Dominion Diamond Corporation announced it was moving its corporate headquarters to Calgary in order to save \$19 million a year in operating costs. The company said the move would impact 100 staff. Outgoing CEO Brendan Bell is just one of many people who had to make a decision to stay or go. I know of several families who agonized over this choice, what it meant to their school-aged children, their extended family living in the North, and their employment prospects. While the GNWT didn't comment on this decision, I want to say it was a blow to Yellowknife Centre, where the office is located. The DDC staff is part of our community. They sing in the choir, they volunteer for non-profits, and they coach minor sports. They pay taxes, and Ottawa calculates territorial formula financing based on their presence here. The loss of

these jobs, along with the closure of the De Beers corporate office in 2015 and layoffs at the mines, have taken as many as 500 jobs out of the NWT.

The last thing Yellowknife needs is more job losses, Mr. Speaker, yet budget 2017-18 delivers 45 more cuts to positions in Yellowknife. Not all of these jobs are currently filled, but the loss of these well-paid positions is bad news.

All of the fallout I just spoke about in connection with DDC is true for the community wherein government jobs are lost. Axing them represents a loss of taxpayers and reduces the level of territorial formula financing available to GNWT. I appreciate the programs sunset or otherwise need to be replaced, but cutting these positions rather than re-profiling them will increase out-migration and the financial consequences that go with it. Mr. Speaker, it's a sad fact that people who get laid off in Yellowknife tend to leave. They can't afford to live here without a job.

To summarize, we want an additional \$10 million investment in our mandate, a sum equivalent to less than 1 per cent of total spending. We also want a rollback on \$15 million of the proposed cuts, which again is less than 1 per cent. I repeat that this is a pretty small list of asks, but one Cabinet has been unwilling to work with Regular Members to achieve.

After months of discussion and negotiation, we are at an impasse, which I mentioned at the beginning. When we wanted changes to the mandate, we moved the necessary motions here in the House, and that's what we're prepared to do with this budget. Eliminating a 10-year deficit in four years is simply not a realistic goal. The cost of reaching it is going to do more harm than good for the people of my riding and beyond.

Mr. Speaker, I have some final thoughts about the budget cycle. It occupies a tremendous amount of time by departmental staff, the executive council, and Regular MLAs. This is time that could be spent on another of our roles that has been neglected in this Assembly, reviewing and improving legislation. As we heard from my colleague Mr. O'Reilly last week, the backlog in legislation required is years long. Not even a year into our mandate, the government told the City of Yellowknife that a number of minor amendments to legislation affecting municipalities will not be introduced during this Assembly. At the rate we've been going, this pace is the norm, not the exception.

Mr. Speaker, I recommend that Regular MLAs study alternatives to the way we now produce budgets, with input from stakeholders of all kind, including our colleagues on the other side of the House. If there is a way to free up time to make the budget process more efficient and to find more time to work on legislation, we should take it.

Finally, Mr. Speaker, I want to go back to where I started. We don't have consensus on our fiscal position, and until we're able to change that, we're going to keep spinning our wheels on the scope of spending reductions we can all support. Mahsi, Mr. Speaker.