

JULIE GREEN, MLA YELLOWKNIFE CENTRE

COMMENTS ON BILL 19 APPROPRIATION ACT (O&M), 2017-2018

March 6, 2017

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Yellowknife South, that Bill 19, Appropriation Act (Operation Expenditures), 2017-2018, be read for the second time. Mr. Speaker, this bill authorizes the Government of the Northwest Territories to make appropriations for operation expenditures for the 2017-18 fiscal year. It also sets out limits on amounts that may be borrowed by the commissioner on behalf of the government, includes information in respect of all existing borrowing and all projected borrowing for the fiscal year, and authorizes the making of disbursements to pay the principle of amounts borrowed. Thank you, Mr. Speaker.

MR. SPEAKER: Masi. To the principle of the bill. Member for Yellowknife Centre.

MS. GREEN: Thank you, Mr. Speaker. Mr. Speaker, just a month ago, I stood here and noted the obvious. We Regular MLAs were at an impasse on budget negotiations with Cabinet. Today, we have a resolution which will pave the way for passage of the budget appropriation bill. It's a compromise we all worked hard on.

Mr. Speaker, it's important to note that we are not all of one mind about budget 2017. We have made some progress on the size of the cuts the Finance Minister originally proposed. They have gone down by a third, from \$150 million to \$100 million. That, in itself, is an achievement. Regular MLAs argued that steep cuts were not in the best interests of the NWT at this time. Every indicator, jobs, mineral exploration, population growth, is weak. Many of us on this side of the House believe this is the time for government to invest in job creation, not to make job cuts.

The government's plan is to reduce spending in order to generate a cash surplus. That surplus will then be invested in infrastructure. The cuts proposed in this budget will generate a small surplus by next March, about 1 per cent of spending. The finance Minister's stated goal is to grow that surplus to 10 per cent of spending by the end of our term. If he is successful, he will then be able to claim that he has generated the first cash surplus in 10 years. It's a worthy goal, Mr. Speaker, but the timing isn't right.

The finance minister is proposing to reverse a 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 looking at up to 200 positions being eliminated this fiscal year and next, creating a major hit to the public service throughout the territory, and that's on top of small business and corporate job losses in the last 12 months.

These positions are being cut at a time when unemployment is trending up. The NWT Bureau of Statistics reported employment dropped by 700 people between December of 2016 and January this year, representing the lowest number of people employed in the NWT since May 2010. Mr. Speaker, as I said a month ago, we can't afford to lose any

more jobs or see any more people move away. This government needs to ensure that budget 2018 doesn't include any further job cuts to the civil service and reverses growing unemployment with job creation and help with business development.

Mr. Speaker, Regular MLAs began reviewing departmental business plans in September. We were faced with an array of proposed cuts: to education, housing, Aurora College, wildfire research, and ground ambulance support. Our committee worked together to identify and roll back unacceptable cuts. Eventually we were able to preserve about \$4.6 million in spending slated for the chopping block, most of it on jobs. That doesn't mean we got everything we wanted, as you will hear from some of my colleagues.

The other task Regular MLAs have undertaken is to promote investment by this budget in our economy and people. We were able to obtain additional spending on the economy, including enhancement of the small community employment support program, the mineral incentive program, the winter fishery freight program, and the community road access program -- for a total of \$4.3 million. My hope is that these investments will assist people to find work at home in their communities.

The government heard our calls to increase funding for our people. The investment of \$2.5 million in homecare is now included in the base funding for the Department of Health and Social Services, so it will be there every year going forward. This is good news for our growing and aging population of seniors. Combined with the Finance Minister's commitment to roll back cuts to the seniors' home repair plan, we are on our way to fulfilling our commitment to enable seniors to age in place. Not only do most seniors want to stay in their own homes as long as possible, there are considerable savings for government if they make these investments. All this money gets spent here, in the NWT.

There are other investments to note as well. The Anti-Poverty Fund is going to double to \$1 million annually. This is good news for grassroots organizations trying to reduce poverty in their communities. The fund was oversubscribed last year by a factor of 4:1. We have an undeniable problem with child poverty in this territory, and we can't expect a change in the multi-generational cycle of poverty until we invest in reducing the number of people who live in need of the basics.

I am also pleased to see money for youth in crisis to respond to communities where there has been a suicide. A suicide, Mr. Speaker, is a cry for help, and, unfortunately, there were a number last year. Suicides are also an indication of the pervasiveness of the mental health needs. These issues are often driven by addictions, so we need to be able to address mental health and addictions together, and this fund gives us a start.

Mr. Speaker, I want to turn now to the government promise to fully fund the territory-wide implementation of junior kindergarten this fall. This is good news, but I want to point out that the program will not be fully funded. There is no provision for additional money for inclusive schooling, as well as Aboriginal and cultural programs, for the extra grade. Likewise, the question about who is going to pick up extra busing costs remains unresolved. So, no, junior kindergarten is not fully funded. It's my understanding that the Minister of Education will be bringing forward a supplementary appropriation for junior

kindergarten, so we will be able to continue this debate at another time.

Another unresolved question is how to accommodate existing programs that serve four-year-olds. The government has yet to come up with a plan to ensure that parents of four-year-olds will continue to have access to the full range of services they have now.

Mr. Speaker, Regular MLAs wanted to see additional investments in budget 2017. The gap between what the government offered and Regular MLAs requested was less than 1 per cent of the total \$1.7 billion budget. It's a small sum but important to us on this side in terms of investing in our mandate.

Mr. Speaker, did we Regular Members get everything we wanted from the government in this budget? No, we didn't. We negotiated \$4.6 million in reinstatements and about \$14 million in new spending. We worked hard for more. We lost the battle to have government phase in increased lease rates for both commissioner's and territorial lands. We failed to protect the winter ferry service on the Peel River and to increase funding for the Arctic Energy Alliance. We elected to defer some spending requests until the next budget, such as expanding the men's healing program to communities outside Yellowknife. We recognize that with renewal set for this summer, expecting service providers to take the healing program on the road in the next fiscal year is overly ambitious. We also deferred spending on the Samba K'e winter road.

Mr. Speaker, my own takeaway from these budget deliberations is a deeper understanding of how consensus government works. The Regular MLAs decided to work together to increase our power to influence government. Together, we fought for things that have a direct importance to our ridings and for things that are unique to the ridings my colleagues represent. For example, money for the small community road access program is not relevant to Yellowknife Centre, but the additional supports for homelessness and addictions are.

We were able to get both. We were able to transcend our narrow concerns and work for the territory as a whole. I think we have a lot to show for this united approach and I hope we will continue to use it to provide oversight as well as improvements to spending going forward.

Finally, Mr. Speaker, before we start on Budget 2018, I want to reiterate that the goal of eliminating a 10-year deficit in four years is simply not realistic. The cost of reaching it is doing more harm than good for the people in my riding and beyond. I'd like to think that job cuts are behind us. If they aren't, we're going to replay this drama again next year. Thank you, Mr. Speaker.