



## **2019-20 Federal Budget – NWT Highlights**

**Note:** This backgrounder has been put together to provide basic information about how the 2019-20 federal budget, which was released March 19, 2019, will impact the Northwest Territories. To review the full 2019-20 federal budget please visit <https://budget.gc.ca/2019/home-accueil-en.html>

### **NWT Highlights**

Initiatives specific to the NWT or territories include:

- \$18 million, over three years, starting in 2019–20 to support planning by the Government of Northwest Territories for its proposed Taltson hydroelectricity expansion project.
- \$13 million over five years, starting in 2019–20, for the Dechinta Centre for Research and Learning to support the delivery of culturally appropriate and community developed curricula to enhance access to and success in higher education for Indigenous and northern students.
- Amendments to the *Canada National Parks Act* to legally establish the Thaidene Nënë National Park Reserve.
- For the three territories: *Investing in Canada Plan* \$1.7 billion over 12 years in bi-lateral agreements for infrastructure development, including \$400 million for the Arctic Energy Fund; \$150 million (includes for northern Quebec) for high-speed internet; increase the allocation from the *National Trade Corridors Fund* by \$400 million over eleven years dedicated for transportation infrastructure starting 2020-21; \$84 million over five years to build knowledge of climate change impacts and to enhance the climate resiliency of northern communities by improving the design and construction of northern infrastructure.
- Canadian Northern Economic Development Agency: to receive an additional \$75 million over five years, starting in 2019–20, for its current economic development program and to create a new initiative: Inclusive Diversification and Economic Advancement in the North (IDEANorth) (the new funds will support a wider range of initiatives, including the development of foundational economic infrastructure such as roads or visitor centres); and an additional \$15 million, over five years, starting in 2019–20, to establish a Northern Isolated Community Initiatives Fund to fund community-led projects for local and Indigenous food production systems.
- \$10 million over two years to Natural Resources Canada to support the Polar Continental Shelf Program that provides critical logistics support (such air charters and field equipment) to Canadian researchers in the North.
- \$13 million over four years for the creation of the Northern Abandoned Mine Reclamation Program in Crown-Indigenous Relations and Northern Affairs Canada to help clean up contaminated sites in northern Canada that were formerly mines.



### **Canada-wide initiatives that will benefit NWT residents:**

- Affordable Housing: First-time Home Buyer Incentive (shared equity mortgage with CMHC providing 5 or 10 per cent of home purchase price to lower mortgage payments with incentive repaid at re-sale); increase the Registered Retirement Savings Plan Home Buyers' Plan tax-free withdrawal from \$25,000 to \$35,000; boost supply in housing and rental markets by providing an additional \$10 billion over nine years in financing Rental Construction Financing Initiative; \$300 million for the Housing Supply Challenge (proposals to break down barriers that limit the creation of new housing); continuation of commitments under the *National Housing Strategy*; address tax non-compliance and financial crime in the real estate sector.
- Employment: New Canada Training Benefit that includes a non-taxable Canada Training Credit (eligible workers ages 25 and 64 would accumulate a credit balance of \$250 per year, up to a lifetime limit of \$5,000 to be used for training fees) and an Employment Insurance training Support Benefit (expected late 2020 providing up to four weeks of income support of 55 per cent of a person's average weekly earnings every four years).
- Education: changes to Canada Student Loans and Canada Apprentice Loans to lower interest rates and interest-free six month non-repayment period and modernize programs for vulnerable student loan borrowers; improvements to existing programs; and additional funding to ensure Indigenous students have better access to post-secondary education.
- National Pharmacare: \$35 million to Health Canada to work with provinces and territories to establish a Canadian Drug Agency Transition Office to establish this agency that will act as a single evaluator and negotiator on behalf of Canada's drug plans.
- Infrastructure to municipalities and First Nation communities: one-time transfer of \$2.2 billion through the federal Gas Tax Fund to address short-term infrastructure priorities;
- Additional funding for advancing reconciliation with Indigenous people including \$40 million over five years to First Nations to research and develop claims; \$1.4 billion over seven years to forgive all outstanding comprehensive claim negotiation loans and to reimburse Indigenous governments that have already repaid these loans; \$333.7 million over the next five years, starting in 2019-20, with \$115.7 million per year ongoing to support the implementation of the proposed Indigenous Languages Act.