



How the Budget Works

The Budget is the Government's plan for its revenues and spending for a fiscal year by providing an estimate of the amount of revenue that the Government expects and describes how these revenues will be distributed to the various programs and services.

1) Prepare

Departments and agencies develop **BUSINESS PLANS** that outline operating plans for the coming years that will support the GNWT's goals. **BUSINESS PLANS** are reviewed and commented on by Members of the Legislative Assembly (MLAs) before being adopted.

2) Draft

The GNWT prepares two budgets annually:

- the **CAPITAL ESTIMATES** for proposed infrastructure spending; and
- the **MAIN ESTIMATES** for proposed operations and maintenance spending.

3) Review

Both budgets are tabled for review and approval by all MLAs in the Legislative Assembly:

- the **CAPITAL ESTIMATES** are typically tabled during the Fall session to prepare for the winter supply and summer construction seasons; and
- the **MAIN ESTIMATES** are tabled in the Winter session (prior to the start of the new fiscal year)

4) Adjust

If required, budgets can be adjusted within the fiscal year by:

- tabling **SUPPLEMENTARY ESTIMATES** during regular sessions to respond to unforeseen needs; or
- requesting a **SPECIAL WARRANT** to respond to needs on an emergency basis.

The GNWT develops a new **FISCAL STRATEGY** at the beginning of each Legislative Assembly to set expenditure and revenue targets for GNWT departments and agencies for the next four years.

Monitoring

The GNWT uses **VARIANCE REPORTS** to monitor actual expenses and revenues for each department and agency compared to the budgeted amounts.

The annual financial statements of all GNWT departments and agencies are presented in the **PUBLIC ACCOUNTS**.



A strong and diverse NWT economy requires an ongoing investment in our people and their prosperity.



Budget 2020

Economic Growth and Diversification

The financial foundation for all of the GNWT's priorities is a vibrant and diverse economy. Funds allocated for economic development, business services, and tourism and parks reflect an on-going commitment to invest in the people of the NWT and their prosperity.

Economic development and business services

Budget 2020 invests \$18 million to support and build a strong diverse economy across our regions. These investments will assist in developing and enhancing small businesses across a variety of sectors and foster a diversified economy across the NWT.

Investing in tourism and parks

Investing in tourism and parks is an important part of GNWT efforts to diversify the economy. Budget 2020 invests more than \$16.3 million to support the industry through strategic planning assistance, industry and market research, and the maintenance and operation of Territorial Parks infrastructure.

Advancing exploration and development

The GNWT has allocated nearly \$16.1 million in support of programs and investments that will advance mineral exploration and development, oil and gas, increase geosciences knowledge, and maximize benefits to the North.

This includes initiatives and activities to market our resources to investors and explorers, increase capacity and participation among our regions and Indigenous governments and advance the development of local market – particularly for our natural gas resources.

Enhancing infrastructure in the North

Projects like the Mackenzie Valley Highway will create new tourism opportunities and improve access to communities.

In 2020-21, the GNWT will advance various Mackenzie Valley Highway projects, including the construction of the Great Bear River Bridge and the Wrigley to Mount Gaudet access road.



Healthy and educated people are at the heart of a strong and thriving Northwest Territories.



Budget 2020

Healthy and Educated People

Budget 2020 invests in individuals and families, making it easier for residents to access programs and services, expanding important education initiatives like Northern Learning Centres, strengthening supports for residents to age in place, and providing tax benefits to help address the high cost of living in the North.

Long-term and continuing care in communities

The GNWT will add \$3.9 million to support the operations of 72 long-term care beds in Yellowknife and \$379,000 to support community health programs, support services, diagnostic and therapeutic services, social programs, ambulance services and other health programs and services.

In 2020-21, the GNWT will also manage \$1.48 million in federal health spending for mental health and addictions, and home care and community care.

The NWT Cost of Living Offset

COLO is a new, tax-free benefit administered by the Canadian Revenue Agency on behalf of the GNWT to help individuals and families living in the NWT to compensate for the cost of the carbon tax.

2020 COLO payments of \$156 per adult and \$180 per child will start in July 2020 and increase annually in proportion to the Carbon Tax.

The Northern Distance Learning Program

The Northern Distance Learning Program (NDL) provides increased access to academic programming for students in small community schools so they can meet the graduation requirements of high school and prepare to enter directly into post-secondary education—while staying in their home communities.

Education investments in Budget 2020 will expand this essential program from 15 to 20 small NWT communities.

Increased access to programs and services

In 2020-21, the GNWT will invest \$337,000 to improve accessibility of online programs and services by creating a single web-based portal for residents and businesses, and offering 40 different licences and permits online.

Taken together, the investments reflected in Budget 2020 will contribute to the 19th Legislative Assembly's shared vision for a healthy and better educated population.



*We are stronger when we stand together
and focus on what unites us.*



Budget 2020

Indigenous Reconciliation and Governance

Concluding agreements with the Indigenous governments of the Northwest Territories will advance reconciliation by recognizing and affirming Aboriginal and treaty rights, as well as creating the capacity for Indigenous governments to deliver programs and services and pursue their economic, social and cultural priorities.

Self-government and land claim agreements

Budget 2020 supports the GNWT's continuing efforts to confirm and implement Indigenous governments' Aboriginal and treaty rights. We do this by working trilaterally with the Government of Canada and each Indigenous government on their individual processes.

Concluding land claim and self-government agreements and fulfilling ongoing obligations to implement existing agreements is a cornerstone of the GNWT's relationships with Indigenous governments.

Developing and completing land use plans

Funding from Budget 2020 will support the operation of an ongoing Wek'èezhìi Land Use Planning Committee and planning office.

This investment will support trilateral work between Indigenous governments, the GNWT and the government of Canada to develop and complete land use plans in all regions of the Northwest Territories.

Implementing UNDRIP in the Northwest Territories

Further implementation of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) within the constitutional framework of Canada will advance reconciliation in the NWT.

Budget 2020 will support the GNWT's work with Indigenous governments over the coming year to create and implement an action plan that identifies changes required in GNWT legislation and policies to best reflect the principles set out in UNDRIP.

Concluding and implementing land, resources and self-government agreements meets the interests of all residents of the Northwest Territories. For Aboriginal people, these agreements clarify and provide certainty respecting their Aboriginal and treaty rights, land ownership and the implementation of the inherent right of self-government.



Clean energy and a healthy and productive environment are vital to the future of the Northwest Territories.



Budget 2020

Protecting our Environment and Addressing Climate Change

Budget 2020 represents an opportunity to work together in collaboration with other governments, businesses and non-governmental organizations so that research and monitoring can be improved and in turn better decisions can be made around climate change and its impacts on the air, forests, land, water and wildlife.

Energy Efficiency and Sustainability

Budget 2020 continues to support the GNWT's commitment to address climate change by investing in energy efficiency and sustainability.

Over the next several years, the GNWT will manage \$34.9 million dedicated to initiatives aimed to increase the use of renewable and alternative energy. In 2020-21, we will oversee \$2.38 million in funding under the Low Carbon Economy Leadership Fund in 2020-21.

Conserving Wildlife

The GNWT will continue to promote caribou conservation and continued collaboration with our co-management partners to complete caribou range planning.

Budget 2020 invests an additional \$1.4 million for conservation and recovery of the Bathurst and Bluenose-East barren-ground caribou herds.

Establishing Protected Areas

Budget 2020 includes \$3.5 million to advance activities under three Challenge Nature Fund Agreements with the federal government, much of which is for the GNWT and Indigenous governments to collaboratively establish, manage and monitor Thaidene Nënë and Ts'udé Níliné Tuyeta, which are new territorial protected areas and Dinàgà Wek'èhodì, which is currently a candidate protected area.

Understanding our world is key to making informed decisions now and in the future. Investments under Budget 2020 will support ongoing GNWT initiatives that support monitoring and research to improve understanding of cumulative impacts. These investments will also support work on trans-boundary water agreements with Alberta and British Columbia, as well as the negotiations with Yukon and Saskatchewan.



*Community Governments are essential partners
in delivering programs and services to meet the needs
of the residents of the Northwest Territories.*



Budget 2020

Safe and Secure Communities

Communities are the foundation of a strong and vibrant Northwest Territories. In 2020-2021, the GNWT will focus on communities to support territory-wide emergency services. The GNWT will also work with communities to develop capital plans and increase each community's authority to make and implement decisions that focus on local priorities.

Making communities safer and more resilient

The GNWT will invest \$827,000 to continue the successful Integrated Case Management System pilot project. This is a client-centred, multi-departmental model that removes system barriers and gaps for clients with complex mental health and addictions needs.

Community capital plans

Budget 2020 will support the GNWT's ongoing work with communities to support and assist in the development and implementation of community capital plans, and associated federal funding applications.

Empowering communities to make decisions

New legislation has increased the authority of community governments so they can focus on local priorities, and Budget 2020 ensures that the GNWT will continue to focus on helping increase local capacity within community governments.

This approach has led to increased capacity for community governments to leverage funding to benefit residents for many years to come. For example, by working together in this manner, every community in the NWT will have access to drinking water that meets the Canada National Drinking Water Guideline standards within the next year. This is an accomplishment few jurisdictions in Canada can claim.