

**THE HONOURABLE CAROLINE WAWZONEK
MINISTER OF INDUSTRY, TOURISM AND
INVESTMENT**

NO.: 88-19(2)

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Procurement Review

Mr. Speaker, one of our government's guiding principles is to ensure that the expenditure of public funds maximizes economic benefits to Northerners and supports Northern business. This is consistent with our longstanding commitment to support Northwest Territories businesses and grow a strong, diversified economy.

We put that commitment into practice through the Business Incentive and NWT Manufactured Products policies, which help ensure government purchases are made from, or through, NWT-owned businesses wherever possible and to leverage this investment back into our economy.

Similarly, our Negotiated Contracts Policy exists to increase the capacity of northern and Indigenous-owned businesses, supporting them to be more competitive in the northern business environment.

We have committed in our mandate to work with NWT businesses to strengthen GNWT procurement policies and practices. By the end of November, we will formally begin this important conversation.

Mr. Speaker, reaching consensus on the subject of preferential procurement is going to require that we work together, be open minded, flexible and adopt a whole-of-government and territory-wide mindset.

Leaders from across levels of government and from businesses will be asked for their input on where and how to strike a balance between supporting Indigenous

and NWT businesses and widely accepted principles of responsible public procurement, including transparency, fairness and realizing competitive value for public dollars spent.

There are many difficult and contentious questions to face. For example, under what circumstances should the GNWT pay more for goods and services if they are provided by a northern business? How much more and how do we define an NWT business?

Should the objective of our policies be to level the playing field between NWT businesses and those in other jurisdictions? Is it to attract jobs and investment to the NWT? Is it to help minimize the cost of living in our territory? Mr. Speaker, likely the answer will be “yes” to more than one question so the challenge will be finding a way to balance these sometimes competing objectives.

What should an Indigenous procurement policy look like? How do we achieve a measured level of participation and benefit to NWT Indigenous governments and businesses?

Through interviews, written submissions, targeted engagement opportunities and online surveys, we will give every opportunity for NWT leaders, Indigenous governments, business interests and communities to share their perspectives and ideas on how to answer these many questions and help advance the collective interests of our territory.

Mr. Speaker, our mandate states that government procurement and contracting is a source of economic activity throughout the NWT, and residents and businesses should benefit as much as possible. At the end of the day we want more NWT residents working and advancing their careers and more businesses thriving and growing in our territory. It is time to revisit the policies we have to support these goals and face these sometimes complex and competing questions.

While the GNWT mandate commits to the completion of this review in 2022, I have asked the Departments of Industry, Tourism and Investment and Finance to do their best to have this review completed by the end of next summer.

Thank you, Mr. Speaker.