



TABLED DOCUMENT 53-18(2) TABLED ON JUNE 1, 2016

Budget Dialogue 2016

**REPORT ON WHAT WAS HEARD
IN PARTICIPANTS' OWN WORDS**

June 1, 2016



If you would like this information in another official language, call us.

English

Si vous voulez ces informations en français, contactez-nous.

French

Kĩspin ki nitawih̄tĩn ē nĩhĩyawih̄k ōma ācimōwin, tipwāsinān.

Cree

T̄h̄ch̄q̄ yatı k'èè. Dı wegodı new̄q̄ dè, gots'o gonede.

T̄h̄ch̄q̄

ʔerih̄t'ĩs Dēne S̄h̄nē yatı t'a huts'elk̄er xa beyáyatı thez̄a ʔat'e, nuwe ts'ēn yółtı.

Chipewyan

Edı gondı dehgáh got'je zhatıé k'éeé edat'éh enahddh̄e nıde naxets'é edah̄ı.

South Slavey

K'áhshó got'jne xədə k'é hederı ʔed̄h̄t'ıé yerımw̄e nıde dúle.

North Slavey

Jii gwandak izhii ginjik vat'atr'ijah̄ch'uu zhit yinoth̄an jı', diits'at̄ ginoh̄kh̄ii.

Gwich'in

Uvanittuaq ilitchurisukupku Inuvialuktun, ququaqłuta.

Inuvialuktun

Ċ'bd̄q̄ n̄n̄^{sb}Δ^c Λ^cLJΔ^rc Δ^ob̄n̄D^c^{sb}rL^on̄b̄, D^oc̄n̄^ao^c D^o^{sb}c̄^ao^o^{sb}D̄n̄c̄.

Inuktitut

Hapkua titiqqat pijumagupkit Inuinnaqtun, uvaptinnut hivajarlutit.

Inuinnaqtun

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Budget Dialogue 2016: *What if you could plan the GNWT's Budget?*

Why Did We Speak with Northerners?

On March 10, 2016 the Finance Minister Robert C. McLeod announced the Government of the Northwest Territories (GNWT) intent to seek public input on the government's fiscal strategy and budgets.

The GNWT needs to live within its means and wants to hear from NWT residents and businesses on the difficult choices that must be made to align expenditures with revenues.

Increasing revenues by themselves is not enough to cover the projected deficits. Borrowing to pay for operating expenditures is not an option because it is not sustainable. The GNWT is targeting \$150 million in savings – through expenditure reductions or tax increases – over the life of the 18th Assembly. Successfully achieving this target will ensure that the GNWT can protect core programs and services and maintain its existing infrastructure and make some new investments to continue to be able to deliver government programs.

The Questions that Were Asked

Residents were invited to provide suggestions on how to use limited financial resources to fund government operations and were asked the following questions to direct the conversation:

- Are all GNWT programs and services still needed, are there any that can be cut or scaled back?
- If we want new programs but have limited resources, what do we stop doing or what taxes do we increase?
- If the program is necessary, can it be delivered more efficiently?
- What is the right balance of investment in infrastructure versus spending on supporting residents and businesses through programs and services?

The Consultation Period

Budget Dialogue 2016 was held from March 11, 2016 to May 20, 2016, although submissions received the week following were also accepted.

The consultation was held entirely through written submissions to the Finance department, either through emails or through the regular mail. Advertising for the consultations were through the GNWT website and NWT news services.

Budget Dialogue 2016 Results

Budget Dialogue 2016 received 36 submissions (multiple submissions from single persons/organizations were treated as single submissions) from 13 organizations and 23 individuals.

Most of the submissions were relatively short and to avoid filtering the points participants were making, the following separated the ideas in each submission into the categories created by the four questions, but retains what was written as closely as possible without identifying the authors. Editing was done where necessary for clarity but every effort was made to preserve the full substance of the comments.

Some submissions were receptive to the idea of increasing taxes or cutting spending, and pointed out numerous examples of how the GNWT could economize in its budget or raise additional revenues through various measures. An increased payroll tax, a higher tax rate on those with high incomes, and increased tobacco taxes were popular suggestions, along with new taxes that could be introduced on junk food and hotel rooms. However, others felt that the high northern cost of living rules out tax increases because they would discourage people from remaining in the NWT, or felt that the burden in their particular situation or industry was high enough already and would result in compliance or competitiveness issues.

On the spending side, popular suggestions were to cut travel and consultants, and overhead more generally. Some feel that the GNWT is inefficient and top-heavy, with too many managers; and that it is process-driven, rather than results-focused.

Some submissions were supportive of the GNWT's *Fiscal Responsibility Policy* and the desire for additional infrastructure investment, and felt that maintaining surpluses would be prudent and advisable. However, there were others who felt that programs are in high need, and should not be sacrificed for infrastructure, and that higher spending in certain areas could be justified. Training, education, the GNWT's relations with its suppliers, hiring practices, and the Business Incentive Policy were popular areas of interest. Some concern was expressed over particular projects or the manner in which they are being pursued, such as through Public-Private Partnerships.

Specific Recommendations from Budget Dialogue 2016

The recommendations that were received during the consultations are shown below. In those cases where respondents did not fit their responses into the four themes (most responses), it was necessary to exercise discretion in grouping them into the four categories. To preserve the integrity of the feedback, the suggestions below are in the words of the respondents, although edited, when necessary, for clarity and brevity.

1. Are all GNWT programs and services needed, or can some programs be cut or scaled down?

Some services are not required, such as:

- issuing iPads to new parents – this seems like a gross waste of spending;
- constructing new office buildings – lease the already available vacant spaces instead;
- gross over spending at higher rates from local sources, if a local source is unable to provide reasonable costs GNWT should consider construction and consultation costs from out of territory opposed to a small list of local vendor who over charge the government.

Move as many services to online as possible. GNWT does a good job with this already, but if there is anything still requiring in person services it should be available online to reduce in person service hour requirements.

There should be no increase in departments' funding. For three years, each and every department, with no exceptions, cut their overall budget by 6%. Some might come from attrition, some from vacancies, some from program reductions or cuts. The rule must be that each department is affected, and no new money. Examples of possible cuts:

- Remove all leased photocopiers and go paperless.
- If the UNW negotiates a raise, no new money for that, it must be realized within the current budget and reductions.
- No international or national travel for anyone.
- Encourage working from home, and overall combine their space, reducing leases, reducing office space in general, having shared cubicles, no new buildings, no new leases, departments sharing spaces.

This way the cuts are applied fairly and can be planned. If a department applies for and receives federal funding then that is for a specific program, and monitored, they still face the cuts and no increases from the GNWT. It has to be across the Board, no exceptions, the departments themselves decide, it has to be transparent and disseminated so everyone is aware.

We should look at is Education, and that is as it relates to overheads. As I understand the way it works right now in the South Slave, we have a South Slave Board of Education, which has a fairly significant overhead associated with this office. As I understand it, the wages constitute 80% of the overall budget, and this is paid directly from the GNWT to the teachers/staff. This means that we spend in excess of 1 million dollars per year in administration for approximately 20% of the budget or what I understand is about \$3 million total. I also understand that anyone of the Principals in the region could be the lead person for a Board of Education, and allocation of the funding could be split between the various schools on a per capita or agreed upon formula, rather than spending in excess of a million dollars on administration.

There should be a confidential email set up where employees can suggest redundant positions. Currently there is no confidentiality and so possible repercussions for those who come forward.

Sell inconsequential GNWT assets.

The NWT healthcare is probably second to none in most cases – our government could probably save money by increasing proof of residency regulations and also reducing the amount of time that one can be away from the NWT, this may also help with eliminating some who think they can move away for extended times and still participate in the NWT health care system. There must be more to it than just owning a house here.

I believe that healthcare and education funding continue to be important priorities. Specifically that geared towards early childhood development. In the isolated communities where I currently live there are no proactive social programs for children 6 and under. This is why head start and kindergarten at age four have been so important. It allows my children the social interaction and education required as without government funding these programs would not be offered. I would also point out that reducing such programs would make the north unattractive to potential skilled workers such as nurses, teachers, trades people, and RCMP officers from wanting to relocate to northern communities to work as inadequate education and healthcare would make them feel they are putting their families at risk.

A Basic Income Guarantee should be implemented for all residents of the NWT.

There should not be any job cuts and improvements to current working conditions should be made in the next collective agreement. This will support the economy.

There remain urgent demands for investments in such areas as daycare and junior kindergarten to support working mothers and families, homelessness and addictions issues spiralling out of control, climate change that needs a strong territorial voice and an aging population that needs new housing urgently. Now is not the time to cut and run from our overdue social obligations with severe cuts.

All is not doom and gloom and as some MLAs have pointed out, the economic picture may be very different in a year's time. Presently the GNWT is paying less than five per cent of its general revenue on servicing its debt. This would be considered enviable to most residents typically have to pay up to 25 to 30 per cent of their income paying off a mortgage.

- Cut administrative expenditures to something closer to the national average
 - Decrease multiple boards/authorities
 - Evaluate and determine whether which programs are not working (internal program review, Auditor General)
 - Reduced reliance on consultants
 - Decreased pensions for those who retire south
 - Cut infrastructure spending
 - Replace fossil fuels with renewable energy
-

We do not feel we are in a position to advise on cutting programs. However, from our perspective, we do see duplication/ overlap/ inefficiencies in offering frontline training. We also believe that training for communities that focuses on building capacity provides for a better return on investment.

Improved coordination: Too often, government programs seem to operate in silos. Improved planning and coordination among government departments – which should include NGOs in some instances – could reduce duplication and overlap of programs and services.

Improved recognition of the voluntary sector: The voluntary sector fills large gaps in supporting government programs and services, and is essential to the provision of comprehensive programs and services for citizens of the NWT. The role of the voluntary sector in providing these services needs to be recognized through the provision of core funding to key NGOs. However, developing annual proposals for small amounts of funding takes away valuable programming time and energy.

In a time of restraint, stop creating initiatives that don't provide a clear benefit to the economy or the people of the NWT. The Labour Market Forecast and Needs Assessment, as part of ECE's Skills 4 Success initiative, indicates that we will need 28,000 new workers to replace those who leave the workforce over the next 15 years. That's an extraordinary figure considering we only have 21,000 workers right now. We appreciate the research, but what are we going to do with it? What are the expected outcomes and how much will they cost?

We're a small jurisdiction and don't really have the money or expertise to implement programs where the business case is not clear and where the outcomes and the path to outcomes is not clearly defined within a properly defined economic context. Aspirational goals do not exist for their own sake and have no business being funded unless they deliver on tangible, demonstrable benefits for the economy and the community.

Cut back on the scale of government oil and gas operations. As the Premier has said publicly, many times, we can't expect to see any activity in the NWT for at least 10 years. Yet we still have a unit dedicated to it. For what purpose?

Mining development requires more attention. The resource investment world is not remotely focussed on the NWT...there is too much other low hanging fruit elsewhere.

Many companies are looking inward, not outward; focussing on their balance sheets and their cost of production and being pressured by shareholders to keep their credit ratings high.

The GNWT should step back and seriously assess everything through a filter of purpose. If a program or service doesn't serve an outcome-based purpose then stop doing it and start focussing on core programs and services. This will reduce overheads and enable you to re-profile dollars.

You have just dismissed the Board of the NTPC. It's time to do the same with the plethora of Boards we have in the NWT. They all cost money, but are they accomplishing anything or adding any value?

The Department of Industry Tourism and Investment (ITI) implemented a small incentive program for mineral exploration while the Department of Environment and Natural Resources (ENR) announced its Conservation Strategy, proposing that as much as 40% of land in the territory be set aside for conservation. By comparison, Canada's commitment

internationally is for 17% of the national land mass to be designated as conservation areas. ENR's strategy is counter-productive, sending the wrong signal to investors, by creating the impression of a government and a bureaucracy that has no integrated plan for growing and sustaining the economy in a way that properly balances all needs. For the sake of our economy now and in the future we hope this strategy is not being contemplated. We have not heard anything since it was announced.

We have the same concern with recent decisions from land and water boards, particularly the Wek'eezhii Land and Water Board. Earlier in May 2016, the Board recommended denial of a Diavik request to allow an increase in total suspended solids in the lake at its A21 pit. Now the NWT Department of Lands is threatening to terminate dredging and other A21 related in-water construction activities. This is despite the fact that the diamond mining companies have consistently demonstrated world's best environmental stewardship and have been almost solely responsible for creating the advanced state of water quality science in the North. You say we're open for business. The bureaucracy says something totally different.

In 2015 the Wek'eezhii Land and Water Board recommended a full-blown Environmental Assessment on a benign project proposed by Husky Oil. The project was in the exploration stage. Environmental Assessments are never undertaken at the exploration stage, particularly for such a benign project. EA's cost millions of dollars. Husky needed test samples to determine if the body of silica would support the cost of going forward. The company withdrew its application and left the NWT.

The Honourable Minister of Finance has stated that running long term deficits is not sustainable, and we agree with that, but we have not even run one deficit yet and there is talk of cuts. To us that is not acceptable. We believe that cutting jobs, programs, and services will lead to people leaving the territory, which will only make the situation worse.

We don't believe the GNWT needs significant investment in conservation areas as was done in the past under the *Protected Areas Strategy*. There are sufficient regulations governing industry, its footprint is small, and it doesn't create significant adverse environmental effects. The efforts being directed to protection areas initiatives would be better re-assigned to economic development and revenue generation.

2. If we want new programs but have limited resources, what do we stop doing or what taxes can we increase?

Stop Doing

I have always had qualms with the Summer Student Program. I do not imagine there is a large amount of money allocated for it in the first place but I would still like to put forward some thoughts:

1. It is silly and somewhat demeaning that a summer student is paid at a higher hourly rate than some GNWT employees who live and work all year in the North. These northern employees spend much more money locally and pay taxes. Summer students likely do not meet the threshold to pay taxes as they are only employed for part of the year.
2. The GNWT should follow the Government of the Yukon's lead in the hiring of summer students. The GYK pays summer students much less than the GNWT but hires many more of them.

Just recently we were witnesses at a training event that we believed was for education of community members in the field of tourism, but various GNWT staff were attending. This was an all-expenses paid event, yet on top of that the staff were also being paid their wages. There might have been a total of 50 people at this event but how many staff attended we know for sure at least 5. These types of events should be for the honest producers and business operators rather than paying for staff trips to the city.

Do we really need to have as many face to face meetings, many organization now are using Skype and other various ways to communicate, much can be saved this way. In addition think about our carbon foot print.

Senior support is projected to cost even more in the future, but we are mainly doing things to increase the services, instead of trying to ensure that we keep our seniors in their own housing. Things like providing seniors housing at a reduced cost of what I am told could equate to \$40.00 per month, wind up making people dependent on Government. The only support we currently provide seniors that continue to live in their own home is property tax forgiveness after 65 and fuel support up to \$800.00 per year if you have a lower income. The reality is that you want to keep all seniors in the North, not just the lower income people, and also, you want to keep them in their own home as it costs a lot more for institutional facilities, or even government housing.

What about providing tax credits for people that stay in their own home, or take the cost of electricity, and fuel and provide a subsidy equivalent to \$1,200.00 per year? If you know

what it costs to keep seniors in public housing, then it makes it easier to figure out what kind of support you can afford to provide them if they stay in their own home.

If we are going to provide housing to seniors, it should be done, in a manner that promotes economics. If they were to keep their power, fuel, and water/sewer costs down to an economic rate, then they would qualify for full support. If they did not look to operate efficiently, then their rent would be more expensive.

If you have a tenant that stays in public housing for more than 10 years, try applying rent to the purchase and get them into home ownership, as opposed to continuing with this dependency.

Health care could take some lessons from the automotive industry. As it stands now if you want to have your automobile covered under warranty then you have to follow a required inspection process. If we made it necessary to have each individual come into the medical facilities at least once a year for a medical checkup, to be able to continue being covered by the NWT medical plan, then it would provide baseline information on all residents, and the medical community might be able to catch serious diseases at earlier stages. The challenge would be that not all communities have full medical services, but I am sure it would be a lot cheaper to have a scheduled process for medical's rather than the amount we pay for medevacs. We could set it up so that each individual would have their medical scheduled for their birthdate and then they would have sufficient time to plan. This would also help with planning for the health units, as they would know how many visits would be scheduled.

Sport and Recreation Council (SRC) is a duplication of services that the Sport North Federation already does, and does well.

The SRC was created initially as a voluntary board, with 1 paid position, that being Executive director. Now they have (can't confirm, but 4-6 paid positions). The SRC does almost the identical work of the Sport North federation, which has the professional team & immense experience (even far more so) to perform the tasks of SRC. The SRC started with a simple objective then added all these duplicate objectives.

Disband the SRC, bring 1-2 of their employees over to Sport North to facilitate any expanded objectives that are not in alignment. You will save several hundred thousand dollars a year on O&M. It's a gross mismanagement of government dollars at present due to the duplication involved. There's also the Sport & Recreation division of MACA that does some of the same work.

The department gives the wrong impression to the community about the government and the care it has for its employees, and the confidence it has in its own services when employees with addiction issues and chronic absenteeism continue to be employed and on

payroll. Assist the employees- and do not be afraid to do so. This means addressing the issue(s); and giving written warnings, and terminating if necessary.

Why is the GNWT paying per diems? Employees are paid regular wage during PDI's, and the flights, hotel and cab fare are paid. Is more necessary? The GNWT isn't paying meals when I am at work, so why is it paid when away at work? Yes, during travel, meals out are more costly. Perhaps financial support for food/meals during PDIs could be a moderate lump sum. At minimum, cut the incidentals.

Please reconsider flying department staff to celebrate events in communities. Spending \$500 so someone can bring a cake is a questionable use of tax payer dollars.

Skype is cheap. There is enough equipment in the community.

Do not let persons fly to remote communities to give services if they have not arranged signage/put up posters at least a week beforehand. How wasteful to fly a counselor in for ONE day or even two, and not have it advertised. This is so incredibly wasteful. It is difficult to get the word out when an individual has already arrived, unless the gov't is prepared to use Facebook. Often, the employee arrives (searches for keys!) only to sit and drink tea waiting for persons to come! Community members should not be expected to drop their plans to see a professional that decides to drop-in. This is disrespectful of community members who have lives and commitments, and therefore deserve to be able to plan ahead.

Please consider making attendance mandatory for individuals who are in conferences or training in centres such as Norman Wells i.e. no attendance; no pay. It seems some persons/employees view attendance as optional when they choose to visit with relatives or shop. This worker has been to numerous where people registered and flown in, opt out of a morning, afternoon or day because they have personal things to do. Obviously this wastes money, yet it also is demoralizing to presenters and other participants. It devalues the training offered.

Stop forcing department to hire unqualified people (base on lack of effective recruitment (not enough applicant) or free pass because of status) and invest in recruiting out of the Territory if necessary. We have too many people unqualified for the job they do (no proper education) and it shows in the way things are managed. Promoting people internally should not be done unless it comes with proper mentoring and educational plan to make it viable... People have move up in position they are totally unqualified based on their engagement, contacts and years in the organization but it does not mean they are qualified and competent.

Stop encouraging a "silo" mentality where everybody works for themselves and their own department. We are an organization that must work as a system where all departments are interconnected. There are quite a lot of changes across the GNWT but every time there is a change, change is dealt with / lead by one department and the other are not enough included which creates frustration, less adherence to change, lots of problems in the long

run. Change management is poorly managed and change feel imposed more than a way to improve. Lots of people have the “not my department, not my problem” mentality and this affects everybody’s productivity, moral and effectiveness. Lots of money is lost because of this lack of understanding between department which makes the changes very rough and not efficient for other departments.

Stop limiting creativity and innovation and encouraging people to do the same for 20-30 years without questions... The world has changed but the GNWT is still with a 1980-1990 mentality. We have to questions why things have been done a certain ways and seek ways to improve, not repeat the same error. We often should search further for better solutions. It doesn’t mean that because it worked for 20 years that there isn’t something much more efficient out there. This goes from trying to add modules to software we have constantly customized because they have never been fully efficient to buying the same brand equipment just because this is what we are used to.

Stop accepting to have people working on Sunday for overtime at double time instead of Saturday (time and half). If the employee choses to work on Sunday instead of Saturday it should be the employee’s choice but the GNWT should make it a rule of tomb that overtime is done on Saturday and not Sunday (unless it’s absolutely impossible to do it on Saturday). Employee who requires to do overtime often pick Sunday so they get more money but this is not good financial practice for Manager to allow that.

Eliminate business cards for the entire GNWT.

Cancel non-essential GNWT travel.

Eliminate water coolers. Staff can pay for their own coolers, similar to internal coffee funds.

Remove court sheriff or bailiff positions. Not necessary. A volunteer can remind someone to turn their phones to vibrate.

Cancel proclamations and themed day advertisements. Do we really need an advertisement for every themed day multiplied by each Minister offering praise?

With the current climate for resource based industries grinding to a halt, we must avoid going down the road that Newfoundland is setting that in some critics opinions “could repel investment and migration to a province that badly needs both.” In my opinion we must look at ways of partnering with those in the private sector to bring new opportunities for savings and increases to revenues.

Tourism is one major area that needs to be addressed. We do see many tourists coming into Yellowknife, however the two or three things you can do are pretty limited to a dogsled rid out to see the aurora, and a trip to some of the few attractions in the area. My

suggestion is consider a partnering and build a casino. A casino could create an accessible full service resort that would keep visitors in the city area for longer period of time.

Offer early retirement packages for older teachers and other professionals rather than laying off younger staff. The younger staff members are the ones who have the families and occupy the lower cost positions. Therefore, they fill the positions which would save the least if eliminated and cost the most in reduced Transfers. The older people could decide to stay in the North, particularly if their children and grandchildren still are able to live here.

Stop hiring southern experts to give advice for problems as they do not understand the northern context; for example, a recent study recommended reducing the budget for classroom assistants and using the money to hire professionals who could provide services throughout the North. This does not recognize the northern context where virtually all our classroom assistants work with students for safety reasons and therefore cannot be laid off by school divisions.

We believe two areas need enhancing – services to support early childhood development, and training for youth and adults with lower skill levels.

Improved access to services for early childhood: Research indicates that the early years are the most crucial time for growth and development. As well as enhanced early childhood programming for families with children 0 to 3 years, children and families need improved access to a range of holistic, wrap-around services such as Speech and Language Pathologists, Occupational Therapists and Physiotherapists. At present, these services are extremely limited in smaller communities, yet are integral to children’s healthy development.

Improved support for training for youth and adults: Importing labour from southern Canada should be seen as a stop-gap measure, while we train a resident workforce, so we believe more attention needs to be paid to training for NWT residents. The NWT school system continues to have a high drop-out rate. Thus many youth and adults lack the skills they need for employment. With additional training and support, this group can form the future workforce of the NWT.

Determining investment vs. expense: Many costs such as those for early childhood or youth programs are regarded as an expense. We believe this is short-sighted. These costs should be considered an investment for the future. Investment in literacy and essential skill development, particularly among young children and youth, reduces, for example, health care costs, incarceration rates, unemployment, and social transfer payments like income assistance, etc.

Improving government efficiency: From the outside looking in, government departments often appear top heavy and inefficient. We believe there needs to be a review of management positions within the GNWT to ensure more efficient span of control. Some departments/ divisions have Deputy Ministers/ Associate DMs, ADMs/ Associate ADMs, directors/ associate directors, yet some of these positions manage very few staff.

Focus spending on Economic stimulus, innovative projects that create employment opportunities, and bridge them to social programs. Create partnership opportunities and reward partnerships between NGO's and Industry with a tax credit. Stop subsidizing industry, especially for activities the average person cannot afford to participate in, and establish an evaluation of every project, what is the success? Who benefitted? What is the return on tax payer's investment?

Monitor the programs for success rate, share success stories and develop policies that focus on positive outcomes. Build corporate relationships, inspire community giving, give business the opportunity to work directly with service providers. Tax credit incentives, increase corporate taxation, but provide tax credits for their community contributions.

Develop an effective NWT Tourism Strategy, and create initiatives that are self-sustainable after three years. Dependency on Government funding has to end, these businesses' should have business plans, with effective marketing strategies, strengthen partnerships with those businesses' for cooperative marketing campaigns, and expand target markets.

Provide Economic Summits, where business, government, NGO's can network and form partnerships. Share information on major projects, and use those projects for training to employment initiatives.

Do not make decisions that will increase the cost of living or operating in the NWT.

Between 2011 and 2015 750 small and medium-sized businesses were lost in the NWT. Business confidence has already eroded. If foisted on them they'll choose to move to lower-cost jurisdictions or simply close their doors. Both are already happening at an alarming rate.

The gov't needs to practice zero-net spending. If a department wants new programs, it has to take it from somewhere else in its budget. This will induce serious assessment of programs and services.

Eliminating government positions, which cost the government less than \$100,000, does not save money. Given the slowdown in other sectors in the northern economy, there is nowhere else in the Northwest Territories where employment can be found and people will

move away. This means the laid off employee plus their immediate family and in many cases, their extended family, too. The average family has somewhat more than 3.5 members. This means in federal transfers only, \$105,000 is lost in revenue to the Territorial government. In addition, there are losses in income taxes received as well as the loss of other revenues due to reduced business profits caused by economic multipliers operating in reverse.

I could give more examples. I can think of only one layoff out of the 20 layoffs recently handed out that will actually save the government more in reduced costs than what it will lose in reduced Federal Transfers. Put succinctly, layoffs will not result in a better financial situation.

Increase Taxes/Raise Revenues

Tax increases should be considered, not just expenditure reductions.

The GNWT is looking for ways to get people to move north and also to retain northern residents, but they have no real strategy. We should be looking at the payroll tax as a tool to facilitate this effort. We currently charge a 2 % payroll tax, which the employee can get a portion refunded depending on income. If you make more than 60,000.00 per year the amount you get back is reduced, and effectively works out to an additional tax with no real purpose. If this tax was increased to 4 %, but 100 % was refunded if your place of residence as at December 31, was the NT, then you would provide an incentive to have people live in the north. The extra 2 % you collect from the people that are non-resident would help to pay for the difference, but also the extra \$33,000 that you pick up in formula financing for new residents, will more than offset the loss of the money currently collected.

The cost of living is extremely high here. Government intervention would be required to control the inflating costs of taxes were to be implemented, government controlled power for example.

For taxes that could be increased but pose little impact to cost of living, tobacco and liquor, these are not essential costs of living but can be a great source of revenue, also restaurant and hotel taxation. In many places with a high tourist income base a restaurant tax is implemented, as this is a luxury service and having an additional 1-3% tax when eating out will generate income from visiting tourists and the locals alike, but not increase the cost of business to local small businesses and residents by adding a general sales tax to everything.

As it stands now taxes within the GTA (General Taxation Area) are not based on any form of recovery, rather just a number that politicians felt could be charged in smaller non tax based communities. This will need to change if Government is going to continue providing the level of subsidy to these communities. This cannot be changed overnight, but an easy way of implementing change is for the Government to look at non tax based communities within a 75 kilometer radius of tax based communities and say that since they are getting the benefit of having many services provided to them the GNWT is going to assess their properties higher (closer to what the tax based community charges) and possibly a higher mill rate to compensate for these benefits.

In Enterprise a large business is paying a tax levy on 10 acres that is less than 20 % of what a corporate organization would pay on less than 1 acre in Hay River. This applies to the residents also, and what the GNWT is effectively creating is a tax haven as opposed to supporting communities to be more self-sustaining.

More taxes for the people who already have made a commitment to live here is not the answer. You have said it over and over yourself as a government the cost of living in the north is higher than anywhere else. So why would you tax it more?

There are a few other examples of looking within, in terms of taxation you may wish to consider. Don't reduce your current tax regime but consider other "incentives" that reduce the effect of current taxes that promote a lower cost of living.

Increase the hotel tax.

Raise Title and sell the Title to the lease holder. The Leasee will want to secure the land for themselves. It will then allow you to increase the tax basis and bring in funds from the sale of the title.

Charge a trophy fee for Big game (Moose, bear, etc). Make the fee refundable when a tag is unfilled. This will also assist in the tracking of harvested animals.

Add a tax to sugar drinks. This can work towards healthy eating.

I would strongly suggest that the Territorial Formula Financing/Territorial Formula Financing Grant and the corresponding population base is where we need to address our deficit situation.

It is my opinion that the first step would be to review the GNWT's spending and determine if there are factors/barriers to reducing and/or limiting population growth in the Northwest Territories. What incentives can the GNWT implement that will promote population growth? Population Growth = Additional Formula Funding. First look at what we do, what are we as a Government doing internally to increase our population base.

People who work in the north but do not live; ie. Mining/Oil and Gas sector. Should we look at opportunities to provide incentives for this work force to move here? Increase tax credits, maybe?

May I also suggest a review of Other Revenue. Just because it can be purchased in the north does not make it more economical to the people living here. We live in a world of availability of product through internet and/or mobility - buy it down south. Everyone is looking for a cheaper way of getting products they want. I would venture to guess that increasing liquor markups will only serve to increase southern supply. Benefit to the north = \$0.

On things that are leading to health issues such as

- Alcohol taxes
- Cigarette taxes
- Fast food, pop, chips, processed sweets, etc.

Tobacco tax rates are very high already and should not be increased further, or if they must be increased, then only modestly and gradually over time, as Ontario is doing. Otherwise, if taxes were to be increased sharply all at once, smuggling will increase and the government's revenues from tobacco could actually decline as legitimate sales would fall.

Increase taxes: there are many taxes that could be instituted in the NWT that exist elsewhere. I would like to see an increase in the payroll tax so that more workers at the mines would choose to live in the North rather than in the South. I would like a hotel tax so that the money could be used to increase tourism. Raising income taxes to the average income tax rate in Canada would also be something that I would like. Having an additional tax bracket for the richer members of society.

- Create a fifth personal income tax bracket for income greater than \$150,000, at a rate of 16%
- Create a hotel tax
- Increase the payroll tax by 1%
- Review royalty regime
- Increase tobacco tax by \$10.80 carton
- Increase resource income tax
- Create a carbon tax
- Introduce a territorial sales tax of 2% (harmonized rate would be 7%)

Increasing payroll taxes: We believe there should be an incentive to reside in the NWT, so we see an increase in the payroll tax for out-of-Territory workers as a potential revenue source.

Ideally, the purchase price of tobacco should be increased by at least 10%. Evidence indicates this increase will reduce youth smoking prevalence by approximately 3%. This increase would result in approximately \$1.5 million of additional revenue. Tobacco tax increases need to be regular and significant.

Tax all tobacco by cigarette-equivalent. Allocate all or a portion of the increased tax revenue to tobacco control. Improve monitoring and enforcement.

We are more than willing to pay increased taxes and to have the government run several years of deficits in order to maintain services, programming and jobs. Please do not make cuts based on projected deficits. If things remain the same and after several years of deficits we have to make cuts, that is a step that should be considered. But do not make cuts based on some possible future deficits. We live within our means and would be able and happy to pay our fair share of any tax increases. I feel that tax increases are an investment in the future of the territory, and I think that most people would be okay with paying more in taxes as long as they feel the money is being well spent. Communication is key.

To me, layoffs and cuts to programs and services are short term solutions that will likely leave the territory worse off in the long run. As someone who's lived in Toronto, Calgary, and Edmonton while going to school, and who's spent summers visiting family and friends

in other parts of Canada, the costs are comparable. Yes some things are more expensive here, but the wages are higher to compensate for that. Housing prices between Yellowknife and Toronto are comparable, as are most groceries. Yes water, electrical, and fuel are more expensive, but that is because of our small population. Yes it costs more to live here, but the wages are higher as well. Every time someone visits us here, they are flabbergasted by the high wages advertised.

The biggest issue is economies of scale. It is always going to be more expensive to live here as long as our population is so small. Cutting programs and services won't significantly reduce the cost of living in the long term. We need long term thinking, bold ideas and initiatives, and strong leadership. We need to do a better job of letting the rest of Canada know about the opportunities up here.

No new taxes should be applied to resource development. From a combined royalty and tax basis, the NWT is in the middle of the pack when compared to a number of other jurisdictions, including Alaska, Nevada, and Western Australia. The industry already pays taxes (i.e. fuel and property taxes) that either are not levied elsewhere. Grow revenues through responsible resource development, and look after people who cannot look after themselves. Stop doing what doesn't serve those goals.

Reduce the costs of living and of doing business through an increase to the Northern Residents Cost Deduction, including indexation. Do not increase mining taxes and royalties, or levy other taxes on the minerals industry.

Focus on the collection of unpaid debts (taxes, etc). These funds can be put back into the budget.

3. If the program is necessary, how can it be delivered more efficiently?

Self service options should save a lot of money, if someone needs a service they should take initiative to go online and manage the information personally for forms and administration. The backend should be automated, GNWT should ensure workflows of work passing hands does not require manual intervention and work duplication and use computer and network systems to automate work.

The employees can best see where efficiencies can come from. Great and good ideas might bubble up.

All Government departments should do an internal review of how they do things. This internal review should be done by a separate department, or by finance with some assistance to understand the process. The reason I say this is that most of the departments do not account for the full cost of providing services, and just continue believing that they are efficient. An example of this, is when GNWT costs out their equipment for Highway maintenance, they only budget for actual wages, and fuel. They do not allow for depreciation or the ultimate replacement of the unit that they are operating. They also do not allow for maintenance work done by the overhaul facility, unless the work is actually done by a third party. This is not being said to be critical of how the Government works, but if they were to know the full cost of supplying a service, then they may change the way that they are providing services.

This is particularly important, when we have a situation where the GNWT is looking at building new housing units to rent to the RCMP. They believe that they will make enough money on this process to pay for the provision of social housing. If they don't know what their actual cost base is, how will they know what to charge for provision of these new units? Secondly, it is my understanding that the Federal Government/RCMP charge the GNWT for the provision of policing, so if it cost more to provide housing for the RCMP won't the GNWT get charged more. It would seem more appropriate to go to the private sector for the provision of these units, and have the private sector rent the units to the GNWT, who could in turn enter into an agreement with the RCMP to manage the units, with the private sector responsible for supply and maintenance of these units over the term of the contract with the RCMP. This would guarantee the GNWT a fixed cost that they could make a margin on to manage, and not have any risk as to increased costs. Further to this, the GNWT is looking at building these units using taxpayers money, at a time when the debt limit is being talked about, is this the best strategy for use of funds?

Review all GNWT Managerial positions. If they don't have employees, they shouldn't be Managers. Can be re-profiled as Union positions. Not [easy] and requires an HR Minister with teeth.

Charge patients for missed appointments. Often talked about, never tried.

Review GNWT paid online subscriptions. Would be an interesting how many duplicates each Department has.

Remove Sergeant at arms position. Replace with volunteer. Position not needed and not clear what position does when not in session.

Use elected officials air miles for future GNWT travel. Shouldn't not be kept for personal trips.

I am Proud to call the NWT home, I do not seek to move anywhere else and I do not encourage people to do so either. However I feel our government is failing small business, in terms of supporting small business and in particular 100% northern owned small business the NWT.

We have millions to spend on super projects but yet little to spend on smaller projects and try to support the so-called back bone of our economy which apparently is small business and in fact smaller contractors and the like – many whose entire lives are invested in these businesses.

We have millions to support companies who are owned by REITs, Joint ventures from the south, Business owners who have done well from our NWT BIP program and now choose to live south of our border but somehow maintain their northern entity. We have corporations with resident managers with no vested interest here gaining BIP benefits, we have 51% northern owned companies also taking benefit but in reality are doing little or nothing in terms of investment in the NWT. In the meantime there is an element out there that struggles and competes with more and more competition as work south dries up – we need to stop this and should have done so long ago.

I feel that our BIP is failing us and it is not doing for many small 100 % owned business what it should be doing.

I feel we have too many loop holes in the BIP and that it lacks a spine – I think that any company that is not 100%Again 100% owned by a northerner with a vested interest in their business including 100% residency should not even be considered a recipient of the BIP benefits.

First off our government could save millions buy simply making the BIP applicable to only 100% northern owned business – second it's time to put that ceiling on at 3 million dollar projects and increase the benefit to 20% for all right across the board – no more local preference in communities – it has not worked in my mind as the NWT is all our back yard weather you are in Hay River or Inuvik.

For starters if you are 100% northern owned and that is proven fact in your registry and your ownership is entirely in the NWT – you do not need to supply any BIP paper paperwork – end all that review of northern content on 100% northern contractors.

Where there is a concern and you are not 100% northern owned and you are looking for NWT benefit – then you must reveal your complete northern portion of your bid in order to receive benefit.

Companies that are not 100% northern and anything other than 100% northern owned should have to pay a minimum 2000.00 business licence fee per job or annually – and also a 20,000.00 cash bond that all northern local suppliers are paid.

I think that a special health care coordinators office is required right in with medical travel to look at issues such as out of town (Edmonton) appointments so that they are coordinated as we all know people who seem to be traveling almost monthly to Edmonton when some of these appointments could have been coordinated at the same time it may be an extra day in a hotel or large house at 100.00 vs another trip or several which cost many hundreds or thousands – I think this needs to be looked at just based on some experiences I know of and have heard and often wonder why this could not be improved. This is not to question the need of the appointment but it is a check on the doctors and patient care that it is being coordinated with some common sense and it's not the patients who decide that.

[The] government [should] practise what they preach and find ways to first call local NWT companies – the idea of some company calling me about a job that I have not heard of at all and he is from Ontario giving me the details speaks volumes about our policies not working.

The GNWT could do small business a big favor and show of support by having and implementing: a "call north first program" with all government departments.

I would like to comment on certain issues in our industry of which I am very familiar and related to public works projects.

It seems to me that many community Public Works offices people are swamped – yet many times we don't even see them come to do site visits. Further there is a decline in government projects in general – but I see the same people working and I am wondering what they are doing.

I have cut my staff to a quarter of what we had because of lack of work, much of my work is typically government...if I am doing a quarter of the work I usually do and there is less and less work to bid on I am wondering what all these people within the GNWT PWS are doing? I am suspect that we are keeping people around in government jobs to which we do not have the money to pay for. Unless someone knows something we don't some changes are going to have to be made and reductions in government at the PWS level.

I do believe that there is a better way for public works to handle some of this by farming out project management services on some projects and could do that with smaller established contractors.

Further [in my] experience many job costs change because of poor scope of work, bad designs etc. and these either lead to substantial cost changes or litigation.

An effective way to save money for the GNWT (and tax payers) would be to review the Per Diem rates for staff who are travelling.

Currently, the Per Diem rates are over \$100 per day. It is highly unlikely that any GNWT employee would need that much money for food and incidentals during one day (except perhaps in the very most remote communities).

It would be simple enough to rate communities on 2 levels. If a staff person is travelling to Community A (in the reasonable range) he/she would claim for (say) \$50 per day. If he/she was travelling to Community B (in the high cost range) he/she could claim for \$100 per day (as an example).

I fail to see how the current rates reflect accurately what a person would spend on food. Most employees MAKE money on these duty travel days. The government is wasting/losing money.

GNWT Shared Services is a unnecessary and costly burden and not welcome by the employees. Purported to increase efficiency and lower costs of doing business it has done the opposite. Another unnecessary layer of bureaucracy.

To save money within the government, print on both sides on print jobs and eliminate the use of banner sheets. Don't print multiple versions of the same document. Reduce the size by printing two pages on one sheet. Don't print in colour unless really necessary.

The number of lights in government buildings could be reduced and those that remain could be turned off when not in use.

Reduce the number of manuals and other publications being printed. Many copies go unused and then end up being stored and ultimately destroyed. You aren't saving money by getting a whole whack printed (generally if you buy more, the price per issue goes down)...only to have to put them through a shredder so the public can't see the waste of the public documents.

It's not hard to incorporate changes, it's hard to get some of the people that have been in a division for a long time to change their practices.

Social Programs – continue to increase rapidly with only no decreases in site. Perhaps it is time to review how we provide social programs. Ontario, Quebec and the Federal

Government are looking at Basic Income Programs as way of ensuring everyone has a basic income in order to survive. Perhaps the GNWT should get in on the working committee's for these discussions.

Perhaps it is time to rethink the GNWT's social funding programs. Everyone is entitled to a living – how can we as a government work with individuals to break the cycle of dependence by providing funding that puts people in charge of their own lives. Some suggestions may be basic income/social programming with a limited timeframe (reviewed yearly) for assistance to individuals to empower them to become all they can be. Help not hinder. Most people who work must have a yearly appraisal to evaluate their performance. Government; by providing Social Assistance has made it their responsibility to assist those in need, so let us help people become responsible for themselves by using this funding to empower them.

- a) “Basic Income” and/or “Social Assistance” should only be available to those who can pass a “drug test” most employers today require this as a standard to work on their job sites.
- b) “Basic Income” provided to those who are able to work a minimum of 20 hours per week. This will provide an incentive to keep their minimum hour/minimum income job. Denying “basic income” to those who are trying to get ahead is not productive in my opinion. Why would I choose to work a minimum income/hourly job if I could just get social assistance forever and stay at home?
- c) “Basic Income” provided to those who are able to get an education. This will provide an incentive to rise above minimum hour/minimum income jobs.

Our Government provides for funding for employee's and all residents to obtain higher education. Part of this funding currently has a requirement to return to the Northwest Territories and “live” in order to have this funding forgiven. I have heard discussion that the timeframe requirements may be reduced. This does not promote population growth. Further the GNWT should consider more restrictions and revamping. The funding is great but let's review this program and see how it could be better.

- a) Longer timeframes to receive forgiveness not shorter timeframes. We have already invested in our work force but gain minimal benefit both in terms of the “Knowledge base” this education could bring to the north if we invoke little commitment for the investment made.
- b) First priority jobs – affirmative action for ALL those who received funding for an education. There have been so many instances where our secondary educated individuals have been turned down for employment because they do not conform to our current affirmative action policy and have had to leave the North to obtain employment.

- c) Affirmative action for those who we have provided education funding in their field. Again we have a number of returning graduates that cannot get a job in their field. I.e. Working as a secretary when they have their Masters Degree.

I also suggest a review of the Business Incentive Policy; how much extra has this cost the Government in terms of expenditures? Has the Government created a business environment where it doesn't matter how much business owners charge, because the Government has to purchase it from us? Has this not spilled over to the consumer/business owner where they too have to buy it at inflated costs further increasing the cost of living. In the majority of smaller towns the Government has the largest buying power and does establish the "market price" Sometimes competition provides a better playing field. Perhaps other more productive incentives could be put in place to promote buy north first.

Some community members are reluctant to use the services offered. One of the reasons is having to adjust to new GNWT employees. If it takes 1 year to get used to the community as I was advised, it also takes the community one year to adjust to the new person. Community dynamics are changed by the arrival and departure of a few persons. To do its utmost to secure employees for longer, it seems GNWT must get involved in housing. Valuable time and energy is wasted requiring new employees to secure housing. It seems ludicrous to assert that GNWT supports all communities in the Sahtu, when not having housing available (part of the hiring package) makes it near impossible to fill the positions.

If housing is a barrier/deterrent to hiring, and maintaining employees, then housing must be addressed. Much money is spent on the entire interview process and upon hire, bringing people to the north. It makes sense to create a welcoming and secure atmosphere by organizing housing. It is enough of an adjustment to move to the remote without having to be responsible for finding accommodation. Putting the stress of securing housing on new hires delays and prolongs the adjustment period. When the individual should be thinking of the job, and the community, the focus is on housing.

Staff uses purchase orders to buy food for events- does it get to the event? What happens if there are few attendees? Where does the food/product go?

Bands manage the Wellness Fund. Is the gov't monitoring that the money is spent on items and events for community members' overall health and well-being? Do bands know that gov't workers can ask them to co-operate and "share" the money? Do front-line workers have the authority to question bands? It seems such questions especially from a non-ban member would be disrespectful and out-of-bounds. Therefore requiring front-line workers to ask the band for money is unfair. Requests for funds could come from front-line workers to their own GNWT management, and from GNWT to the band.

Reduce travel by investing in video conferencing solution (similar to e-health) – travel to communities or from the communities could reduce considerably the department’s budget, environmental impact and free up a LOT of time wasted in travel (time is money). Travel is sometimes used for personal benefit (to catch a flight out of Yellowknife for example) and should be monitored a bit more closely. Lots of training could be done online as well.

Encourage negotiation with vendors... Especially with the new limit (\$25k), Manager should have better negotiation skills to bring the cost down when appropriate. We are an important client for most our vendors and I think it’s fair that we don’t accept outrageous pricing just because we are Government.

Support departmental decisions... Often decisions are made by fear of political repercussion instead of logical business decision. Vendors influence is often stronger and sometimes makes us compromise and lose lots of money.

We stop giving vendors the right to provide poor services and charge a lot of money for it... We should have industry standards and require them from local vendors. We have given them so much loose in the way we manage contracts that vendors (mostly related to maintenance) are completely out of the norm on service level. They take double and triple the time required to do the work and waste a lot of the GNWT time and money. By not enforcing our contracts and industry standards we waste tax payers’ money. The GNWT by not enforcing best practice and industry standards encourages unproductive labour, poor work ethic and low standards in the vendor community. A lot of the vendors would never be able to work south because the way they work (time they take, decision they take) is too low standard and nobody would hire or re-hire them.

We need more training for manager to know how to manage their contracts. We need to make Contract Authority accountable and responsible to manage their contracts... Very often, people sign off on invoice without verifying what’s in their contract. Vendors can easily inflate price after a contract or work order is given and the GNWT rarely act on it neither pro-actively (putting a limit on work order upfront) or reacting to an invoice that is not appropriate.

Negotiated contract should be re-focused to their main purpose which is to build capacity in the NWT, not avoiding competition in regions where the capacity has been built. Instead of hiring southern companies all the time we should try to see if there are possibility to identify and train regional people with mentorship program in certain areas. Mentors could be southern but we would eventually build expertise in the NWT.

Departments (and the vendor community) feel they have a duty to spread the work between vendors... The GNWT should reinforce that Department have a primary responsibility to spend tax payer’s money wisely... If there are 3 quotes, they must go with the lowest... It’s not because you have use the lowest last time that you can use the second-lowest next time just to spread the work around... If people want work, they will sharpen their pen.

The GNWT could look at is Housing, how we can make the area more attractive to those who would consider working in the north. Right now new residents to the area feel the housing crunch, over 50% of my pay check goes to housing needs. We are seeing housing costs that rival those major cities to the south. While some make better than average wages up here, it is lost on the increased costs of living up here. In the Southern Caribbean, one of the programs the governments offer is long term house leasing. Instead of being made to purchase housing far out the reach of most income earners the government provides homes that are built then leased to its population to live in. Like a rental but not profit motivated keeping the cost of housing down.

While I understand the need to buy in the north and support our local businesses, northern companies that often deal with the government, inflate their prices above and beyond competitiveness. The year round road has taken away the excuse of goods being hard to get. Why should we pay 25% - 100% more for an item because it is carried in the North when with shipping an item can be purchased and ship for far less from the south. You want restraint then we need to think about the government needs. Maybe when business start feeling that pinch they will go back to their landlords and utilities and start working out better deals. Forcing a deflation in the market place cheapening the costs of goods and services of all residents, more money in people's pockets means more spending.

New initiatives or school programs must come with adequate funding and supports! A new Formula Funding Model that reflects today's realities within our education system is needed.

We need investment in technology infrastructure and increased bandwidth to ensure equity in education for all NWT students and to support educators' professional practice in all NWT communities.

NWT families and children need support in the area of early childhood development, beginning prenatally, extending through pre-Kindergarten and into K-12.

Continued investment to address the NWT's housing challenges is required. The lack of available, adequate and affordable housing in communities across the NWT directly impacts recruitment and retention for not only educators, but also other professionals who work in NWT communities. Community housing projects would also help to address poverty and homelessness, which would positively impact the lives of the children and youth in our schools.

Inclusive schooling supports to meet the vast range of student needs, including the academic, behavioural, special and extreme complex needs. Funding for breakfast programs must accommodate program administration costs so this service can be organized and administered by a hired community coordinator, not a teacher. [There needs to be time] for teachers to fulfil their professional responsibilities.

Reduce salaries and wages: in particular, higher paid staff of the government could have their salaries and wages reduced. I would much rather see a reduction in teacher salaries of 5% than a reduction in the number of teachers. I would be in favour of large cuts to management positions in the Department of Education, Culture and Employment. The department is top-heavy. In particular, Educational Reform Initiative could be cut as the cuts to front line workers in Education during the past few years make the whole initiative a farce that discourages educators throughout the territory. If we cannot afford to staff our schools adequately, we cannot afford this initiative.

Amalgamate the Yellowknife School Boards into one Board. Guarantee the Catholic population that their elementary schools will continue to operate and that Religion will be offered as an option in the higher grades. Promise a Comprehensive or Composite High School where the Grade 9's and 10's are housed at Sir John Franklin and the 11's and 12's are housed at St. Patrick High School. This fits the numbers in the grades to the buildings. As the schools are across the street from each other, it will be easy for those students taking courses in multiple grades to access all their courses. This will be acceptable to the population if announced intelligently. It will save approximately \$2,000,000 in reduced annual costs (reducing the number of superintendents from 7 to 4 will save approximately \$1,000,000 per year alone) and the cost of creating the Comprehensive/Composite High School will be much less than that. This is a good time to make this amalgamation as many of the superintendents are at retirement age.

Reinvest in education by 30% or more – more teachers, not fewer; and increased services. Increased funding for seniors' housing, NGOs, addiction treatment, arts and culture, housing, education, and health care.

A detailed analysis of internal spending on all expenses should be made public – as well a detailed review and report on spending at all levels, the cost of redundant processes and procedures, outdated technologies and practices, and benefits of continuous improvement to reduce expenditures due to archaic operations and systems.

The GNWT provides multi-year funding to NGOs. Some departments allow multi-year funding to flow from one year to the next within a defined contribution agreement. Many do not. Practices vary even within the same department. Yet the ability to roll over unspent multi-year funding, with agreement from the department, would provide NGOs with the flexibility to design programming that is not limited to one fiscal year. This allows for improved and streamlined planning, as well as more efficient and effective use of funds.

ECE training to employment programs should be designed cooperatively, using partnerships between industry, employers, government and NGO's. NGO's can access alternative funding Federal initiatives or corporate sponsorship. Employers can advise where their work shortages will be, what skills are needed for those jobs, what training people should have, and provide entry level positions with potential for career growth. The NGO can access Federal money that can meet the needs of the client to successfully transition from multiple barriers to employment. People who work are more productive and able to give back to the community, without a job, people succumb to unhealthy lifestyles, depression and in turn, become dependent on Government support. Make sure the programs are not training just to train, there must be measurable results, with an increase of employed outcomes.

Streamline, streamline, streamline. Stop focusing on process and the mountain of paperwork and endless checks and balances that goes with it and start focusing on results. A process is not a result.

Some services [have moved] to a more efficient platform over the past few years and while doing so has improved service delivery within existing budgets or, where there are costs, has built a business case to support the investment. Do the same with other programs and services.

Get with the digital age! How many officers at ECE are responsible for entering hand-written forms when this could be done by the end-users? E-service delivery is essential if the gov't wants to create efficiency in its workforce.

It's not enough to keep everything as it has been. Streamlining is about examination for improvement and creating a results driven approach. Process which exists for its own sake is wasteful of scarce resources. Results matter.

There are also many ways to get the job done without owning all the jobs. Government might give more consideration to privatizing some of its work so as to have the private sector deliver it. This would also reduce the loaded costs affiliated with compensation packages and help the private sector succeed which translates into sustainable employment and more tax revenue.

Stop hiring skills that are available in the private sector already, thus taking work internally that can and should be done by local companies; examples are graphic designers, web developers, engineers and accountants.

Government might give more consideration into privatizing some of its work so as to have the business community deliver it. This would also reduce the pension load on government, which is currently quite rich compared to ordinary, private citizens.

Strengthen GNWT's ability to drive positive change for mining through the creation of a new Department of Energy, Mines & Petroleum Resources. In expectation of devolution in the mid-1980s, the GNWT created a new Department of Energy, Mines & Petroleum Resources that aggressively pursued revenue growth in the NWT. Now is the time to re-create that Department of Energy, Mines & Petroleum Resources and give it the ability to drive powerful positive change.

4. What is the right balance between investment in infrastructure and supporting residents and businesses with programs and services?

The "Flash Point Corridors Project" is a plan that could save the Government about \$200 million per year and create at least 3 years of hundreds of jobs directly. This could also reduce greenhouse gas emissions by about 300 thousand tonnes per year.

There is much more to this that is possible as well if we could open a serious discussion and make some real deals.

Our government must embrace tourism in a big way as it is the single largest area of potential growth that could employ hundreds of people even if seasonally – I think we should look at subsidising airfares to a fishing and eco lodges to help promote their business and the NWT – 50% input on planes of 5 or more people these people will spend the money on arrival and departure from our cities and towns the refund paid to the traveler with certain verifications filled in with vouchers when they apply for refund. Could employ at 2 day min stay before and 2 day after travel rule.

Tourism developer's should be moved to the front of the line with their projects and should receive the highest priority – Cuba's Fidel Castro said in his country that "tourism is gold" we need to adopt programs immediately that promote and encourage travel here – especially Asian groups who are becoming the big standard.

We need to promote tourism training programs to get business to understand what travellers expect and see what they get elsewhere.... And reward those that prove what they have done or are doing to make things better.

Cancel the expansion of Prelude Territorial Park. The budgeted amount \$250,000. It can be expected to have a 10-15% cost overrun. A better capital project would be to repair the boat launch as it is collapsing. This would reduce liability on the GNWT for not providing a safe structure.

Promote energy conservation and allow people to feed power back into the system through solar power.

I think the GNWT would be well served to better use the contracting experience that is in the north by opening up and consulting with northern expertise on the contracting side versus just using engineering consultants on many jobs.

With the lack of work for smaller contractors we are at risk of losing what the BIP has done to help many of us in building our infrastructure and keeping people – if we lose the infrastructure of our small northern business in these slow times it will take us many years to bring it back. We will be doing like was done back in the 1970 and calling Edmonton for project help.

I think design build does work for our government in terms of cost and I would say it should be expanded however the review process is tainted.

Further I think there should be a mechanism to negotiate projects with smaller “established” contractors and put a 20 years in business minimum and look at invitation only to those smaller contractors.

Take the penalty to cancel the Stanton contract. The original scheme to renew Stanton at \$300 million has ballooned to an unmanageable amount over many years. A huge burden to existing and future residents. Many other programs suffer or are delayed for years for it.

[R]ather than asking the limited number of people already committed to living here to come up with more money to pay for infrastructure that we would all like but really why do we need a \$24 million Recreation Centre for 4,000 people? I know; build it and they will come? Hasn’t worked historically has it.

Of late, the government has focused its messaging on the need to invest hundreds of millions of dollars in infrastructure projects with the hopes that heavy spending will stimulate the economy and provide long-term stability for the region. We believe this course of action can be compared to renovating your house when money is tight – your money can be better spent feeding your family and paying your bills. Similarly, is this really the time to pour money into new roads and physical infrastructure when the economy is slow? Should taxpayer money be put toward risky ventures as is being proposed with P3 highways and other massive projects?

[We] strongly oppose Public-Private Partnerships (P3s) where the government enters into long-term contracts with private companies for large infrastructural projects. P3s have proven time and again to cost governments and taxpayers more money in the long-run and lack the openness and transparency that citizens enjoy through a public process. Planned projects for highways or long-term senior care - if left to private interests driven by profit - will lead to continued cuts to quality public service positions, poorer service and a greater cost to the taxpayer.

Investment in infrastructure should be focused on initiative that brings or keeps people in the NWT. Infrastructure projects should be approved only if necessary for the benefits of supporting the residents but not necessarily to give work to the businesses.

While I commend the new government for wishing to take a pragmatic approach in developing its new budget, I am concerned that patients in the GNWT are suffering while the GNWT delays in directing much needed investments in health care providers.

However my particular concern has to do with some of the massive financial choices being made by government. Certainly the GNWT's experience with the Deh Cho bridge should cause the GNWT to seriously evaluate and appropriately cost all infrastructure projects. While I am skeptical that a new Yellowknife hospital is necessary at all, I am completely puzzled that government should believe that building a road to Tuktoyaktuk is in the best interests of the Territory. The fact that there are thousands of people in Yellowknife without access to a family doctor, and only a handful of family doctors in the rural communities at all, illustrates a critical lack of skilled health care providers in the North. Locum physicians, who have minimal connection and obligation to the communities that they serve are not an adequate replacement. Stanton Hospital no longer employs a single internal medicine specialist. Nurse practitioners and midwives, whether locums or permanent, are not adequate replacements for deficits in physicians. Furthermore while extraordinary measures have been made to attract and employ midwives to Fort Smith and Hay River, surely the cost of these personnel for the very few people that utilize their services represents a poor value. Stanton hospital alone lacks specialists, social workers, discharge planners, and all of these missing professionals, result in severe inefficiencies to patient flow and create backlog.

In short I believe that the GNWT would be better served by investing in health care personnel than gargantuan infrastructure projects.

Reduce the number of kilometres of road construction: maximizing the number of people living in the North is more important than maximizing the number of kilometres of paved, gravel or dirt roads. I believe that the rule preventing money from being used for education, health and social services and forcing it to be spent on roads shows a

government who values roads over people. I believe that is a poor vision that will not lead to a stronger, more vibrant economy.

Spend less on infrastructure and put the money into programs, such as health education and housing.

[We] strongly urge the GNWT not to cut jobs as part of its expenditure reduction exercise.

To make the NWT a more attractive place to reside, more programs are needed across the NWT, in many areas: education, green energy, social housing, homeless shelters and services, health and wellness, drug and alcohol treatment centers, daycares and junior kindergarten.

[Non-government Organizations] NGOs are concerned about their funding because of the GNWT's announcement of \$150 million in budget cuts, but with no detail as to what will be cut or when (cuts over 2, 3, 4 or 5 years?).

Safeguard public services. Roads should not take priority over programs.

P3s are not a good way to pursue, when required, infrastructure investments. Nor should privatization of public bodies or functions be pursued.

The tactics of the GNWT during the current budget period ("Doom and Gloom") is similar to those taken in 2008, when public service cuts were also announced. However, the picture painted by the GNWT never materialized and the NWT economy fared better than those of our southern counterparts, and despite various reports from public and private organizations suggesting the NWT's economy will be one of the strongest in future years.

Research shows that a 1% rise in average literacy scores raises the Gross Domestic Product (GDP) of a country permanently by 1.5%. This is three times the return we get if we invest in physical capital. This rise in literacy rates has another effect—it creates a 2.5% increase in productivity. The proportion of people at the lowest literacy level drags down growth rates. In the NWT, we have high rates of youth and adults with low literacy rates. Supporting the development of literacy and essential skills contributes to economic growth. Unfortunately, too often the impact of increasing literacy levels among our human resources is given less weight than infrastructure spending on growing the economy.

The notion that you should borrow up to the debt ceiling to support spending on programs and services is a recipe for insolvency. Businesses spend operating revenue to support operations and set some aside to enable capital borrowing that will improve their operations. That some MLA's have articulated a "borrow and spend" point of view is short-sighted, worrisome and unsustainable.

Residents don't need more services. It's not about more. It's about quality of the ones we have. Get better at the services you do deliver instead of doing more things not as well. Expertise begets demand and user loyalty.

We don't need more programs and services; we probably need fewer. If you want to find a new source of tax revenues get focussed on core services and outsource some programs and services to the private sector.

Frankly, we have an infrastructure deficit that must be addressed.

We accept that government does not have the resources to do everything, but governments at all levels need to be aggressively pursuing the private sector to share the costs and invest by providing every possible incentive.

The construction of at least two major all-weather roads into the Mackenzie Valley and the Slave Geological Province should be at the top of the list. It's not a case of "if you build it they will come" ...it's more certainly a case of if you don't build it they will never come.

We need to support economic growth and key capital investments will do that and put people to work at the same time. Still, we must live with our means. To that end we support the GNWT's Fiscal Responsibility Policy and recommend that you continue prudent borrowing and debt management practices. We also support the notion of the GNWT aggressively pursuing capital funding from Ottawa through the development of a Nation Building business case to get infrastructure projects underway.

Local food production must be seen as an increasingly important priority here for Northwest Territories municipalities and settlements as a means of sustaining local economies and supporting economic growth.

The Northwest Territories has the 2nd highest rate of food insecurity in the country according to a 2015 Statistics Canada Report, and food prices have been rising twice the National average (CBC, end of 2014) We ask you to remain a strong funder to food security initiatives as well as taking advantage of the momentum that the Yellowknife Farmers Market has built for small business incubation in our capital city, which helps keep our dollars earned in the Territory, spent in the Territory. We would like to see the GNWT to support local food initiatives in every community, and see the value of investing in our capital city as investing in every community in this Territory for a regional to local food system.

We need infrastructure to strengthen our economy by reducing costs for industry and residents. There are opportunities to build and operate that infrastructure using residents and businesses. It can be a win/win.

Provide land ownership and access certainty by settling land claims, followed by land use planning; Do not begin formal land conservation programs until land claims are settled;

Address regulatory uncertainties arising under the MVRMA, particularly unnecessary referral of small projects to environmental assessment; remove the public concern “hair trigger” which has seen small, early stage and low environmental impact exploration projects referred to unnecessary environmental assessments;

Do not proceed with implementing cost recovery regulations that would require industry to pay for regulatory reviews;

Invoke computerized map staking (from the current expensive physical claim staking process) to reduce exploration costs;

Invest in Geoscience research;

Increase public awareness of the opportunities and benefits provided by minerals industry, and the comprehensive legislative regime that regulates the minerals industry and protects the land.

Invest in education and training to attract more northerners into the minerals industry. We must work at the K-12 level to attract the next generation to the opportunities available in the minerals industry, and we must continue to fund specialized training programs.; and

Diversify the economy to mining in regions that have traditionally relied on oil & gas (e.g. Sahtu) or government. Northerners will be better served if we not think of diversifying away from mining, rather diversifying alongside mining. We cannot afford “either/or” actions, rather are better served by doing both. A strong minerals industry will strengthen other industries.

The Tlicho Road will help advance a new mining project and reduce community costs, and the Slave Province Road will reduce mining and exploration costs in the rich Slave Geological Province and will help address climate change pressures on the ice road to the diamond mines. Work with the Sahtu to diversify their economy to mining and enhance the return on investment for the Mackenzie Valley Highway.

Provide cheaper power by revisiting amalgamation of the isolated Taltson and Snare hydropower grids, by expanding and building new hydropower facilities, and by using alternative energy sources like liquefied natural gas.

Budget Dialogue 2016 Next Steps

The suggestions provided in the May 2016 Budget Dialogue reflect actions taken in the 2016-17 budget, released June 1, 2016 and will help inform the budget debate. However, the specific expenditure reductions or revenue options will be considered during the 2017-18 budget planning process that will begin in the summer of 2016.

The GNWT is committed to doing business differently and to engaging residents in decision making more fully. Public engagement should be an ongoing process, not focused on a single instance. Following the May/June 2016 Budget Session, Budget Dialogue 2016 will continue with an online survey asking NWT residents to rank their priorities. The results of this survey, combined with the comments and suggestions received this spring will help inform development of business plans for 2017-18.