



OCT 11 2016

MR. KEVIN O'REILLY
MLA, FRAME LAKE

Oral Question 143-18(2) Impacts of GNWT Job Losses

This letter is in follow-up to the Oral Question you raised on June 1, 2016 regarding impacts of GNWT job losses.

The information relating to the broader economic implications of government job losses was provided to the Standing Committee on Priorities and Planning in April 2016 during discussions about the 2016-17 Business Plans. The multipliers that were included in that assessment of the job losses were provided in this information.

The multipliers were derived from the Input-Output model of the NWT economy that was used to assess the impact of government job losses on the NWT economy. Input-Output models trace expenditures through the different sectors of the economy as inputs are purchased from other industries and outputs are sold and quantify the effect of each transaction on employment, incomes and gross domestic product.

The multipliers provided to the Committee were not "used" to evaluate the impact but rather are complementary information to help describe the impact of the job losses in the broader economy. Since the results of the Input-Output model were provided to the Standing Committee back in April, the number of employees affected by job losses has changed as staff have been redeployed. In my view, tabling the results of the economic analysis done in April 2016 would not be useful to the discussions being held at this time.

Robert C. McLeod
Minister, Finance

c. Clerk of the Legislative Assembly
Legislative Coordinator, Executive