

**LEGISLATIVE ASSEMBLY OF THE  
NORTHWEST TERRITORIES  
10<sup>TH</sup> ASSEMBLY, 1<sup>ST</sup> SESSION**

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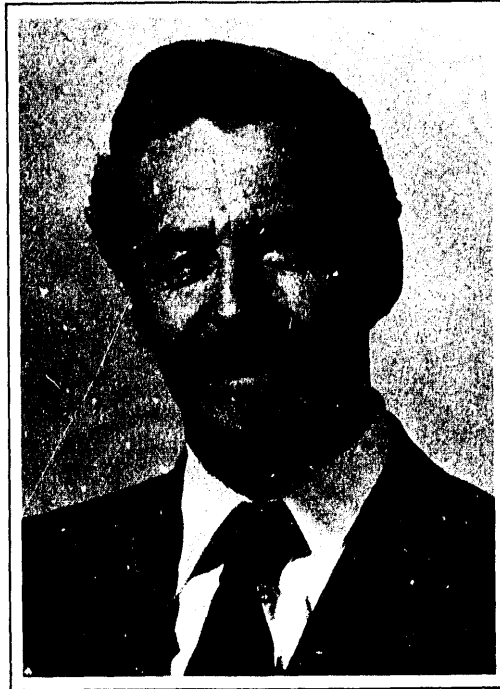
NORTHWEST  
TERRITORIES 1984-85  
**BUDGET ADDRESS**



Tabled Document No. 5-84(1)  
Tabled Feb. 6/84

# 1984 = 1985 BUDGET

## NORTHWEST TERRITORIES



PRESENTED BY  
**THE HONOURABLE TOM BUTTERS**  
MINISTER OF FINANCE

AT THE  
FIRST SESSION OF THE TENTH LEGISLATIVE ASSEMBLY  
YELLOWKNIFE, N.W.T.

FEBRUARY 6, 1984

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## **INTRODUCTION**

**Mr. Speaker:**

It is my privilege today to present the 1984-85 Budgetary Plan for the Government of the Northwest Territories.

The budgetary plan you are about to review reflects the necessity for continued stringent financial management practices adopted to live within the realities of the federal restraint program. At the same time, the Government of the Northwest Territories remains committed to economic growth and to addressing the needs of northern people.

Mr. Speaker, I believe that it would be a mistake for anyone to expect restraint to be a temporary condition, a short term tightening of the belt. While we now appear to have turned the corner on the worst recession in fifty years, the remainder of the decade is still not expected to be one of quick growth or economic boom.

As we now begin our Tenth Legislative Assembly, we can be proud of the progress that the Northwest Territories has made over the last twenty years. We have consistently demonstrated our desire and ability to accept increased political and financial responsibilities.

A major step was made in this direction in the Fall of 1982 with the announcement by the Honourable John Munro that the Federal Government would move rapidly to introduce formula-based financing. Formula financing will give our government much greater control over its financial affairs.

On December 9, 1983 Mr. Munro announced that the tax remission for housing and travel benefits in Northern Canada will be maintained.

This is a welcome reprieve for northern residents and the northern economy. It came after numerous representations were made to Ottawa by this government, individuals, corporations and associations which collectively demonstrated the negative impact that the taxation of northern benefits would have on the Territorial economy.

While we welcome the continuation of the remission order, it is only a weigh-station on the road to developing an equitable tax regime for northern Canadians. In continuing our work in this area we will press wholeheartedly with federal officials to develop an equitable tax regime.

## **ECONOMIC OVERVIEW**

The budget tabled today, Mr. Speaker, is a reflection of the current economic environment.

Economic performance among major western industrialized countries continued to be weak in 1983, with real growth averaging only 2¼%. This represents an improvement over 1982, when tight fiscal and monetary policies were adopted by governments to combat inflation. While inflation appears to have been checked, the toll has been costly.

In 1983 Canada's unemployment rate peaked to a level unheard of since the Second World War. One year ago, that figure averaged 12.8%, representing approximately 1.5 million Canadians out of work. Inflation, while being reduced, persistently remained at levels significantly higher than those of our major trading partner, the United States.

The results of late 1983 and projections for 1984 contain better news.

On the international front, Canada is expected to rank third in economic growth after the United States and Japan — a growth of 4% — substantially better than the 0 to 3% days of the past few years. At home, inflation has been lowered to 4%, and unemployment has been reduced to 11%.

There are several positive developments of particular importance to the territorial economy.

- First, there is the steady increase in primary metal prices, up significantly from the previous year. On a national basis, the mining industry has recently posted a profit for the first time since 1981.
- In the oil and gas industry, major oil companies recently announced that they are committed to spending almost \$3 billion for exploration in the Beaufort Sea. In August, the Federal Government announced the signing of exploration agreements which will result in investments of \$175 million in the Mackenzie Valley.

This activity means a significant capital inflow to the Territories with associated spin-off business and employment opportunities for northern residents.

Mr. Speaker, it is against this background of continued restraint, slow, but steady economic growth, and encouraging signs for resource development that this 1984-85 budgetary plan is being presented.

## **ECONOMIC REVIEW**

**Mr. Speaker, I would now like to review and highlight some of the more significant events of 1983 that had or will have an impact on the territorial economy.**

### **NWT Economy**

**During the past year other parts of Canada felt the devastating effects of recession much more strongly than we did here in the Northwest Territories.**

**Statistics Canada does not collect unemployment figures for the 21,000 people who make up the Territorial workforce. This omission makes it very difficult to determine our actual unemployment rate.**

**However, social assistance figures provide one useful indicator. The number of people receiving social assistance that are considered employable has remained relatively stable over the past few years despite variations in economic activity. This may be due to a tendency for the north to import employment and export unemployment when economic activity fluctuates.**

**The cost of living in the Northwest Territories is the highest in all of Canada. Recent statistics show northerners paying an average of 47% more than southerners for basic living needs. This figure is much higher in more isolated areas such as the Baffin and Kitikmeot Regions where living costs are 60-95% higher than in the South. This is why, Mr. Speaker, we have made numerous representations to Ottawa urging the recognition that increased taxation at the present time would cause unnecessary hardship in a part of the country where costs are already substantially higher than elsewhere.**

**Not only are northern living costs higher than in the South, but, based upon Yellowknife data, inflation has been higher as well, averaging 1% higher than the national average for the last three years.**

**The average income of a Territorial resident is only \$2,000 more than the national average. This is not a sufficient differential to compensate northerners adequately for their higher living costs and rates of inflation. Contributing to this problem is a far greater percentage of our wealth being concentrated in the larger centres, with regional disparities being much more pronounced than in the South. In addition, nominal income is not an accurate reflection of disposable income because higher income taxes inevitably go hand in hand with these higher income levels.**

In 1983, estimates show population growing to over 48,000. Business growth also continued, with 174 new companies being formed in the past year, bringing the number of registered companies in the Northwest Territories to over 3100. Some of this increase may be attributed to this government's Northern Preference Policy.

The mining sector showed mixed results in 1983, with production of gold up 50% and silver up 33% from 1982 levels. Lead and zinc production were down, reflecting weak markets and the temporary closure of the Pine Point Mine.

Recognizing the importance of the Pine Point mine to the Territorial economy, the Territorial Government contributed to a financial package in June of 1983 that enabled the mine to reopen and get its 500 employees back to work. The mine is now operating at close to full capacity with production holding steady at 165 thousand tonnes a month.

Oil production rose 9% in 1983 with Norman Wells holding steady at a production level of 3,000 barrels per day. Production will increase to 25,000 barrels per day with completion of the pipeline.

Natural gas production continued its downward trend over the last four years, as relatively inexpensive southern gas resulted in our abundant supplies of this resource not yet being sufficiently economical to produce in quantity. In 1983 production of natural gas was 176 million cubic metres, some of which was used in Norman Wells to keep energy prices for that community at a reasonable level. It is hoped that large-scale development of the many large gas reserves in the Northwest Territories will begin in the next few years.

Retail trade showed a drop from the high levels of 1982, as the effects of recession resulted in reduced consumer purchases. Nevertheless, sales were still up more than \$10 million over 1981 and more than \$30 million over pre-recession 1980 — indications that we in the Territories were somewhat cushioned from the general economic slowdown.

### **Responsible Government**

Mr. Speaker, encouraging developments have taken place in regard to a formula financing agreement with the Federal Government. While there are risks associated with these new financial arrangements, our government has accepted this increased fiscal responsibility as part of



its evolution to full responsible government. In the months ahead, it will be essential that members of our new Executive Council be fully involved in the final resolution of technical details related to the new formula financing arrangements.

Another significant step on the road to responsible government was taken on June 30, 1983 when the Minister of Finance assumed the Chairmanship of the Financial Management Board, replacing the Commissioner in this role.

#### **Financial Summary — Operations and Maintenance**

Mr. Speaker, the latest financial data for 1983-84 indicates that government revenues are expected to be \$18 million higher than voted in the 1983-84 Main Estimates. The majority of this new revenue will be received in the form of federal transfers related to cost-sharing agreements.

Offsetting this, however, on the expenditure side, are supplementary appropriations of approximately \$20 million. The major requirement for these appropriations was unexpected Department of Health expenditures of over \$10 million.

This government provided over \$1 million to Economic Development for the Territorial Government's share of the Economic Development Agreement, and the re-opening of Pine Point Mine. Over \$2 million was allocated to Education to increase the salary base in the Baffin Region and for college programs.

Treasury Board Submissions were made to the Federal Government requesting funds to offset skyrocketing Health, Police Service and Corrections costs. Police costs are anticipated to be \$1.1 million higher than originally projected. Correctional institution costs have also risen by more than \$1 million over last year's estimates.

#### **Financial Summary — Capital**

Mr. Speaker, during 1983, the Government of the Northwest Territories committed itself to over \$78 million in capital projects for improved community facilities and infrastructure. Major areas of spending include:

- \$11 million to the Housing Corporation for the construction and rehabilitation of homes.

- \$24 million for upgrading public works and community facilities in all regions.
- \$11 million for the construction of new schools and the upgrading of existing facilities.

Through the exercise of restraint and by shifting the priority of some projects, there will be a reallocation of funds in the capital appropriation. The Executive Council has directed that some of these funds be used to address the acute housing shortage in a number of communities across the North.

### **Government Accountability**

Mr. Speaker, one year ago the Budget Speech identified the need for stricter financial management within this government. Over the last year, a number of significant changes have been made that will lead to improved government performance and fiscal accountability.

A performance measurement system is under development. Its phase-in is expected to begin during 1984. The objective of this system is to increase the effectiveness, economy, and efficiency of products and services delivered by the Territorial Government.

In 1983, the Financial Management Board approved the implementation of an extensive internal expenditure restraint program. This program established a policy framework for the control and reduction of expenditures throughout government. Specific areas of scrutiny include travel, consulting contracts, staffing levels, office facilities and other discretionary expenditures.

In this past year, improvements were made to the process for allocating our financial resources. While preparing budgets for the 1984-85 fiscal year, departments categorized all of their planned expenditures. This will facilitate ministerial decision-making, allow for the introduction of priorities, and identify the needs of both statutory and priority programs. The review process will be further refined in the upcoming year to move toward a system of modified zero-based budgeting.

The Northern Preference Policy continued to play an important role in the territorial economy during 1983. Under this policy, the Government of the Northwest Territories supports northern-based businesses which are bidding for contracts to provide goods and services of all types.

A new Payment Policy was implemented by this government in the past year designed to benefit the northern economy. Recognizing the key role that government plays in the economy and the importance of cash flow to businessmen, it was decided that the Government would pay northern businesses within a 20 day period.

Mr. Speaker, during 1983 studies were conducted on two major agencies associated with this government, the Housing Corporation and the Workers' Compensation Board, with a view to improving the accountability of these agencies to the Territorial Government. The Housing Corporation Study has now been finalized and the Workers' Compensation Board Study will be considered by the Financial Management Board in the near future.

### **1984-85 BUDGET**

Mr. Speaker, the work involved in preparing the Main Estimates requires contributions from many of people throughout this government, including Deputy Ministers and Directors, their financial staff and program personnel. For all of that collective effort, I express my thanks. In particular, I acknowledge the valuable roles played by the previous Executive Council, the Financial Management Board and the Commissioner in bringing such a document into existence. Their continued support and cooperation has produced a budget document which I believe you will find to be responsible and a reflection of the priorities developed by the members of the previous Assembly.

Members present will note that the preparation of a budgetary plan is a lengthy process. For example, the process leading up to today's budget began in 1982. Since that time the document has undergone rigorous examination — several times by each department, twice by the Financial Management Board and most recently by this present Assembly's Standing Committee on Finance.

As with our provincial counterparts, the Government of the Northwest Territories follows well-established parliamentary conventions. The Executive arm of government, acting with the advice of the Ministers, presents the governments's financial requirements to the Legislature. In return the Legislature has the authority to approve such funds as are requested by the Executive.

The Legislative Assembly is empowered to approve, disapprove or partly approve the amounts requested by the Executive. Authority to reallocate funds, however, does not rest with the Assembly, although from time to time the Legislature makes recommendations to the Executive for reallocating funds within the Main Estimates. The Executive then considers the recommendation and reports its decision to the Assembly.

### **Objectives**

- The 1984-85 budget was prepared after a rigorous review of our activities to ensure that existing programs continue to serve valid objectives. It recognizes that the quality of public services provided by the Government of the Northwest Territories must be preserved.
- The government remains committed to a policy of economic stimulation and employment generation. To this end, funds have been allocated for the Economic Development Agreement, regional tourism groups, and Development Impact Zone Groups.
- The resource allocation process has resulted in \$1.5 million being available to fund priorities established by the Ninth Legislative Assembly and Executive Council. These priorities have been identified as energy programs, the Ministry of Culture, Tourism and regional and tribal councils.

### **Revenue and Taxation Measures**

Mr. Speaker, this government is not proposing legislation in the coming year to increase tax rates. Similarly, there is no intention to significantly increase rates in other areas over which this government has some measure of revenue control. The reasons are threefold:

- First, we must ensure that the economic recovery is not put in jeopardy. Economists expect that consumer spending will provide the main stimulus to the economy over the next year and a half. With the tax burden on northern residents already high, tax increases at this time would act to reduce the level of essential consumer spending.
- Second, this government has adopted a financial plan that complements the federal restraint program. The 1984-85 budgetary plan has held the line on increased expenditures and has reduced the need for higher revenues.

- Third, the new federal-territorial fiscal arrangements for 1984-85 do not provide a mechanism by which additional revenues may accrue to this government.

Total revenues, recoveries and transfer payments are expected to rise to \$148.7 million, or 13% above last year's figure.

The operating grant, negotiated annually with the Federal Government, has been set at \$294.3 million. It represents a 10.4% increase from the previous year.

The capital grant has been increased to \$83.5 million. Total capital income is \$84.3 million.

Adding the \$27.1 million received for work performed on behalf of third parties, total income from all sources is projected to be \$554.4 million in the upcoming year.

### **Expenditures**

The Operations and Maintenance portion of expenditures has risen from \$395.5 million in 1983-84 to \$439.7 million in the upcoming fiscal year. This represents an increase of \$44.2 million or 11.2%.

The Capital portion of expenditures has risen from \$78.5 million in 1983-84 to \$83.9 million for 1984-85, a 6.9% increase.

Total voted expenditures therefore amount to \$523.6 million for the coming fiscal year. Adding \$27.1 million for work that is done on behalf of third parties (primarily the Federal Government), total expenditures for 1984-85 are projected to be \$550.7 million. This represents a \$58.3 million increase over the Main Estimates of last year, or 11.8%.

The bottom line of the 1984-85 budgetary plan therefore places estimates of total income exceeding expenditures by approximately \$3.7 million. \$1.5 million of this budgeted surplus was achieved through introducing the internal restraint measures discussed previously and will fund new priorities established by the Executive Council. The balance of \$2.2 million will be retained to fund supplementary appropriations that become necessary during the year. This very small cushion is less than .4 of 1% of the year's budgeted expenditures — an indication of how carefully departments will be expected to manage their finances in the upcoming fiscal year.

This government's ability to maintain projected restraint levels will to a very large extent be dependent upon the overall Canadian economy and the impact of price increases in energy and transportation-related expenditures. To the extent that price restraint can be maintained, this reserve will be available for Supplementary Estimates in non-controllable areas.

Mr. Speaker, the budget does not reflect an additional \$6.3 million base adjustment which was approved after the Main Estimates were prepared. The additional funding resulted from a successful appeal to the Federal Government.

The Federal Government's approval of the \$6.3 million, however, stipulates that the Government of the Northwest Territories has no access to federal supplementary appropriations in 1984-85. In addition, the Federal Government has approved the implementation of new revenue controls so that the Territorial Government can no longer retain revenues beyond those identified in the federally approved framework. Given this background, the additional revenue has not as yet been allocated to programs but is rather being set aside as a central reserve for unforeseen expenditures.

## **MAJOR EXPENDITURE PROGRAMS**

Mr. Speaker, I would like now to turn to specific program areas within this government.

### **Social Services**

In the past year, the Department of Social Services has emphasized programs for the aged and handicapped which will help the recipients retain more independent lifestyles.

Alcohol abuse remains a serious problem in the North. Approximately \$100,000 was spent in 1983 in developing an alcohol education curriculum which will be implemented in all classrooms by 1985. Another \$100,000 was directed to establishing a comprehensive training program for addiction workers. These programs complement the contributions to community alcohol and drug projects in the amount of \$1.1 million.

The Department's combined operations and capital budget will rise to \$40.8 million. There will be an emphasis on correction services in the budget year. The new Baffin Correctional Centre will be constructed and in operation in the fall of 1985 at a total capital construction cost of \$5.3 million.

A high priority will be the implementation of the new Young Offenders Act. This federal initiative is awaiting clarification of a cost-sharing formula still to be worked out.

Major construction activities include the planning and development of senior citizens facilities in Yellowknife, Fort Rae, Fort Simpson, Inuvik and Fort Smith. A group home for handicapped children will be completed in Frobisher Bay.

### **Health**

The last five years has been a period in which health care costs have increased dramatically both nationally and in the Northwest Territories. Health costs alone have risen 55% in the last two years. Throughout this period the Government of the Northwest Territories has managed to continue providing insured services for the benefit of northern residents.

In 1983-84, the department completed a study on teenage smoking which shed light on one important aspect of this major health concern. The department also began a Health Education Curriculum project for use by teachers in health education. In addition, the department is introducing proposed changes to the Territorial Hospital Insurance Services Ordinance.

1983-84 will mark the successful first full year of operation of the Baffin Regional Hospital under the auspices of the Territorial government after transfer from Health and Welfare Canada.

The major capital project to be undertaken by the department in 1984-85 will be further work on the new Yellowknife hospital. Architectural plans were finalized in 1983 and completion is expected in the spring of 1987, at a total cost of \$16.3 million to this government.

The department will continue to work closely with the Housing Corporation and Social Services in the upcoming year to develop adequate standards of housing and care for the elderly.

## **Local Government**

**Mr. Speaker, this government continues to encourage and support the development of responsible local government.**

**In the past year, over \$22 million was spent on the construction of community halls, recreation facilities, roads and municipal services in settlements, hamlets and municipalities. In addition, over \$25 million was directed toward municipal government.**

**The Department of Local Government intends to increase capital spending in recreation by \$1.4 million. Several of the new recreational facilities will be combined with new schools to gain the maximum benefit from limited capital resources.**

**Operating contributions to hamlets have been increased by nearly \$2 million to ensure that they are able to successfully deal with rapidly rising operating costs.**

**Throughout the entire department, operating costs are projected to be \$35.7 million in the upcoming fiscal year. Capital expenditures are expected to rise by 9% to \$24 million.**

## **Education**

**Mr. Speaker, the education of our youth and the skills training of adults is of utmost importance to the future of the Northwest Territories. In the past year over \$72 million was directed toward the operation of schools and educational programs. \$12 million was used in the construction of new school facilities and purchase of modern equipment. Significant capital projects were the new \$5.7 million, eight classroom school in Clyde River, and the \$4 million, six classroom school in Norman Wells.**

**A major reorganization is also taking place within the Department. All appropriate training-related functions presently carried out by various departments and agencies are to be centralized within a division of the Department of Education.**

**This reorganization will result in a more coordinated approach in developing training and employment opportunities in the North.**

**Education will increase its operating budget by 8.5% to \$78.2 million. Major capital projects will include the first phase of the \$16 million Keewatin Regional Education Centre. Progress will also continue to be made toward implementation of the recommendations of the Special**



Committee on Education. In addition, 1984-85 will see the completion of the three year development phase of the Indigenous Peoples Language Program.

### **Public Works**

Mr. Speaker, in the past year, over \$79 million was directed to the Operations and Maintenance function in Public Works. This reflects the high cost of maintaining and operating public structures and transportation links in the north.

This winter, the Mackenzie Valley winter road has been extended from Fort Norman to Norman Wells. New winter roads will also be opened to the communities of Nahanni Butte and Trout Lake.

Following the guidelines of the Northern Preference Policy, the department awarded 91% of construction contracts to northern firms in 1983, at a value \$21.5 million.

In 1984-85, \$84.3 million in operating funds has been allocated in the Main Estimates to Public Works. Capital expenditures have been set at \$12.2 million.

Continued emphasis will be placed on the development of standard building designs to make the most efficient possible use of the government's capital funds. On April 1, 1984, the Intra-Territorial Road Reconstruction Program is scheduled to be transferred from the Federal Government to be administered by Public Works.

### **Housing Corporation**

Mr. Speaker, this government devotes a significant portion of its budget to addressing the North's acute housing shortage.

The Northwest Territories Housing Corporation is responsible for ensuring that an adequate and affordable supply and standard of housing is available to residents of the North. In order to fulfill this mandate, the Housing Corporation received \$30 million in operating funds and \$11 million in capital funds in 1983-84. These funds enabled many northern residents to purchase new homes or make essential repairs to existing residences.

The Main Estimates being presented to this Assembly include operating and capital contributions of \$42.8 million for the Housing Corporation. Of this total, contributions to local housing authorities amount to \$31.2 million. An additional \$2.3 million has been set aside for public housing and \$8.3 million for home ownership programs.

Last month, the Executive Council reallocated \$3.8 million for a priority program to address the accommodation shortage in a number of northern communities. In conjunction with the Canada Mortgage and Housing Corporation, a total of sixteen eight-unit complexes will be built to house young single people and couples.

## **LOOKING TO THE FUTURE**

Mr. Speaker, Canada has embarked on an examination of its future economic prospects.

This process is taking place through the Royal Commission on the Economic Union and Development Prospects for Canada, more commonly known as the MacDonalld Commission. The Commission is examining the economic and political fibre which makes up Canada. This is a broad mandate, but Canada must ensure that an economic system and political structure is in place that will meet new challenges.

The Northwest Territories is poised for change in many of the areas which the Commission wants to address. In fact, the Commission is presently considering an ambitious and comprehensive research program in the North in recognition of the key role that the North is expected to play in Canada's future.

This government is taking the initiative to put together a detailed submission for the MacDonalld Commission. It will outline our options for political growth and the constitutional, institutional and economic changes that could occur over the next twenty years.

## **CONCLUSION**

Mr. Speaker, all Members of this Assembly may take pride in the fact that our financial performance through these troubled economic times is, in relative terms, amongst the best in Canada.

In his opening address, Commissioner Parker said that he believes an emphasis on economic development and provision of jobs will emerge as a major priority of this Assembly. I believe that in the years ahead, the identification and development of employment opportunities in communities will perhaps be the greatest challenge facing this and subsequent Assemblies.

Mr. Speaker, much has been accomplished in the fields of training and education. However, concerted efforts must still be made to coordinate the newly-gained knowledge and skills of our residents with permanent and relevant employment opportunities in the Territories. Unless this can be accomplished, we will continue to lose our talent to the South and perpetuate the fly-in fly-out economy that we want so much to avoid. I am sure that all Members of this Assembly will give particular consideration to this important area during the next four years.

The Northwest Territories should continue to make meaningful progress in the year ahead as it seeks greater control over its own economic and social destiny. A major component of this progress will be the introduction of the formula financing agreement.

While this agreement is not expected to be implemented until the 1985-86 fiscal year, Mr. Speaker, it is appropriate at this time to highlight one important issue that Members present will inevitably face. That issue is one of new initiatives or program enhancements.

Formula financing does not mean that the government will have an excess of resources to provide new and enhanced programs. Simply put, it means that we as a government will have to live within our means.

With formula financing, new programs or enhanced levels of service will only be achieved through upward taxation adjustments or budget reallocations. Under the new agreement, Members must be prepared to address the government's revenue raising obligations and the related political and economic implications when evaluating all new initiatives.

Mr. Speaker, the budget being presented to this Assembly today provides for a surplus of \$3.7 million to allow for the limited introduction of new priority elements, and includes a small provision for Supplementary Appropriations. We have also set aside a \$6.3 million central reserve for unforeseen expenditures. Based upon past experience, these reserves will at best be a bare minimum to meet unanticipated expenditures in the upcoming year.

**At the same time, the budgetary plan will protect and improve existing services. It will guarantee that the costs of those services are met in the fairest way possible, and ensure that the fiscal integrity of the Territories remains secure.**

**A budget must satisfy many goals, Mr. Speaker. Difficult choices must be made between competing priorities and diverse strategies. By way of conclusion, I am confident and optimistic about this course that is being set before the Legislative Assembly today. It is a budget which recognizes the realities and challenges facing the Northwest Territories, while at the same time, dealing with them realistically and responsibly. It will help maintain our economy's solid base as we continue to achieve greater political and economic autonomy in the months and years ahead.**

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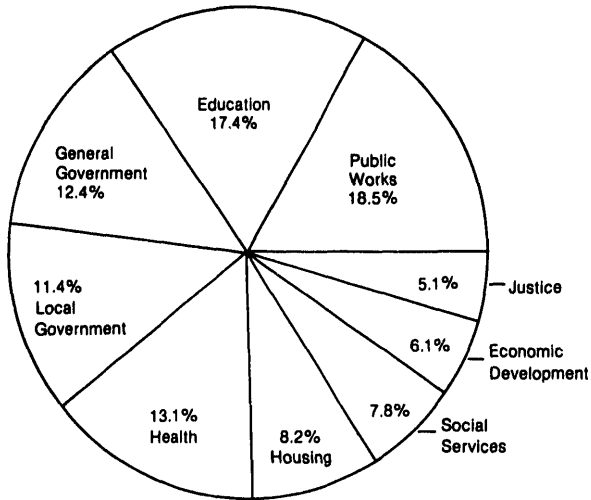
## FINANCIAL AND SUPPLEMENTARY INFORMATION

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**Expenditures by Department — N.W.T.  
1984-85**

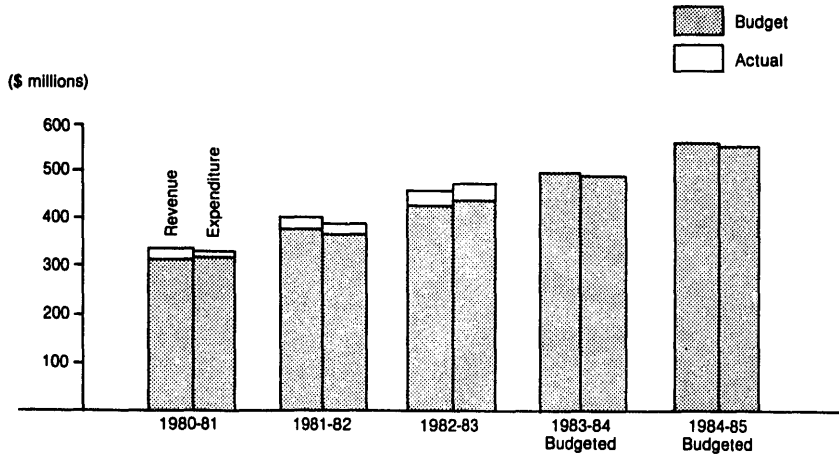
Chart 1



Source: 1984-85 Main Estimates

**Revenue and Expenditure Comparisons — N.W.T.  
1981-85**

Chart 2



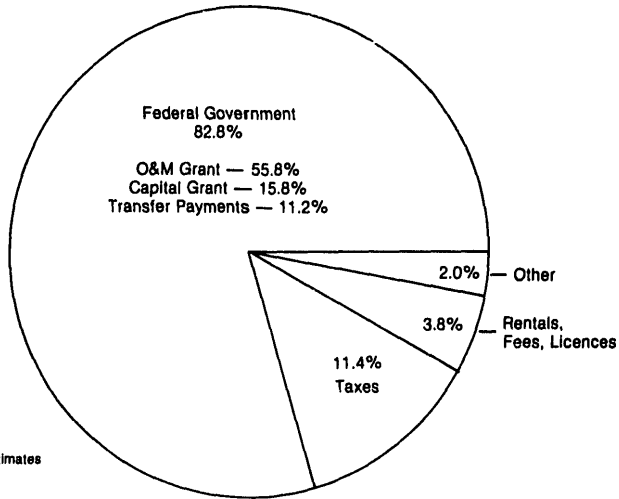
Source: GNWT Territorial Accounts  
GNWT Main Estimates

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**Revenues by Source — N.W.T.**  
1984-85

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Chart 3



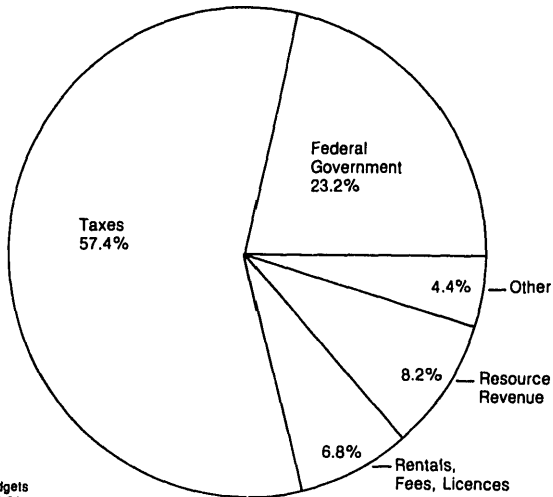
Source: GNWT Main Estimates  
1984-85

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**Revenues by Source — Provinces**  
1983-84

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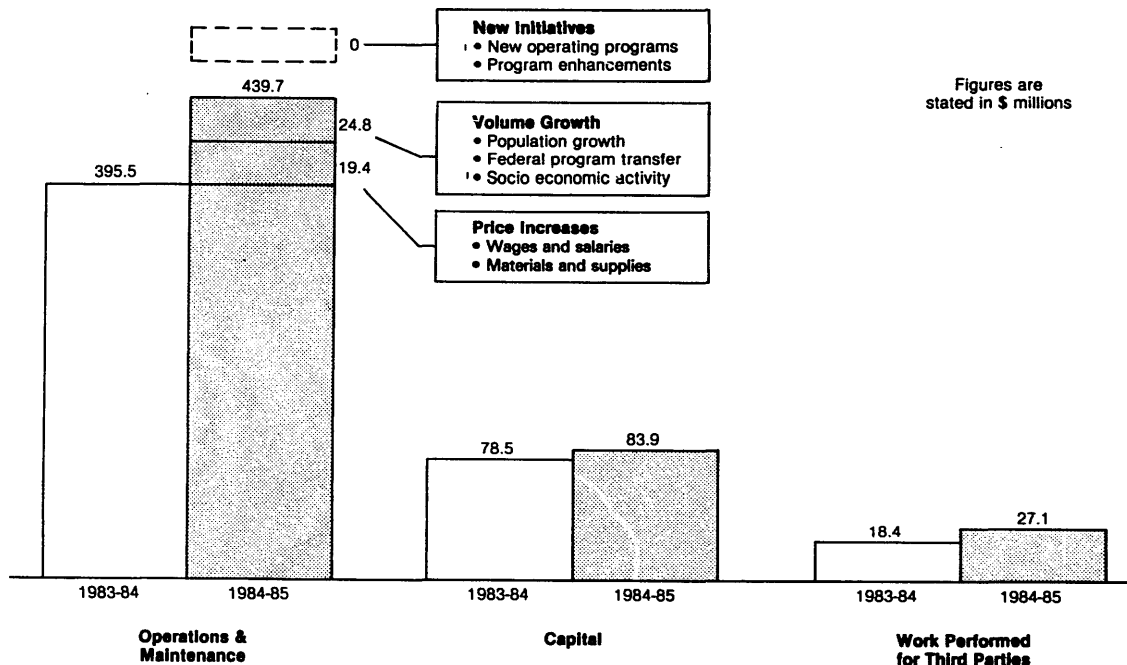
Chart 4



Source: Provincial Budgets  
1982-83, 1983-84

## Expenditure Growth — N.W.T. 1984-85

Chart 5

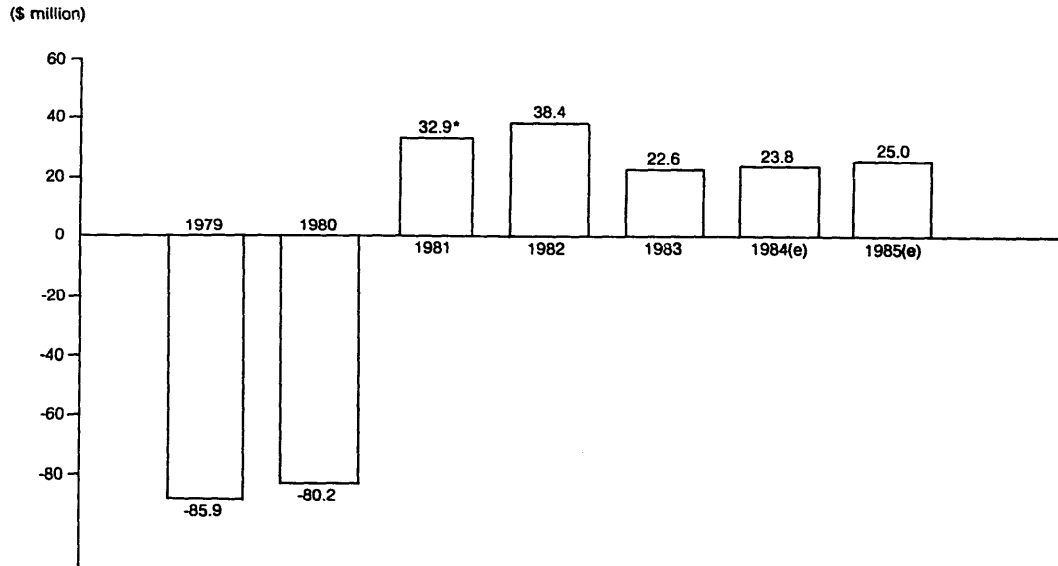


Source: GNWT Main Estimates  
1983-84, 1984-85



**Accumulated Surplus (Deficit) of General Revenue Fund — N.W.T.  
1979-85**

Chart 6



Source: GNWT Territorial Accounts  
GNWT Main Estimates

\*Note: Surplus resulted from the write-off  
of loans from Canada (\$105.2 million)

**Major Provincial and Territorial Tax Rates**  
As of January, 1984

Chart 7

	Personal Tax (%)	Retail Sales Tax (%)	Gasoline Tax	Tobacco Tax <sup>a</sup> (¢/pack of 25)	Medical Premiums (%)		Corporate Tax <sup>b</sup> (%)	Capital Tax <sup>c</sup> (%)
					Individual	Family		
British Columbia	44.0	7	20%	50	180	384	16(8)	.2
Alberta	43.5	—	—	37	168	336	11(5)	—
Saskatchewan	51.0	5	—	52	—	—	14(10)	.3
Manitoba	54.0	6	18.8%	52.5	<sup>d</sup>	<sup>d</sup>	16(10)	.2
Ontario	48.0 <sup>e</sup>	7	20%	57.5	362	714	15 <sup>f</sup>	.3
Quebec	<sup>g</sup>	9	40%	51	<sup>d</sup>	<sup>d</sup>	5.5(3)	.45
New Brunswick	58.0	10	20%	67	—	—	14(9)	—
Prince Edward Island	52.5	10	22%	37.5	—	—	10	—
Nova Scotia	56.5	10	20%	35	—	—	15(10)	—
Newfoundland	60.0	12	22%	112.7	—	—	16(12)	1.5
Yukon	45.0	—	4.2¢/ litre	40	228	318	10(5)	—
Northwest Territories	43.0	—	3.9¢/ litre	42.5	—	—	10	—

Source: B.C. Budget Speech, July 1983  
CCH Tax Journal

<sup>a</sup> British Columbia indexes its tobacco tax semi-annually to reflect changes in retail price. Tax rates are applied to a determined retail price in Ontario (45%), Quebec (50%), New Brunswick (50%) and Newfoundland (76.1%). In Prince Edward Island, Newfoundland and Ontario, tobacco products are also subject to a retail sales tax.

<sup>b</sup> Small business rates in brackets.

<sup>c</sup> The rate that applies to all industries except financial institutions (in most provinces). A capital tax is levied annually as a percentage of corporate assets.

<sup>d</sup> Quebec and Manitoba employers contribute 3% and 1.5% respectively of their payroll to a Health Services Fund.

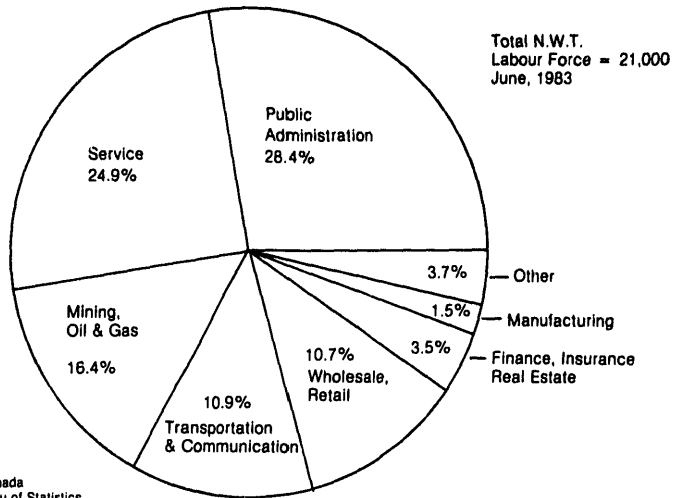
<sup>e</sup> Plus temporary 18 month surcharge (5% of Ontario tax payable) on taxable income over \$2178.

<sup>f</sup> Excluding income which qualifies for the federal manufacturing and processing deduction, and income from mining, logging, farming and fishing which is subject to a 14% rate. Small businesses are exempt from taxation until January 1, 1985.

<sup>g</sup> Quebec levies its own personal income tax which has an approximate range of 50% to 60% of federal tax.

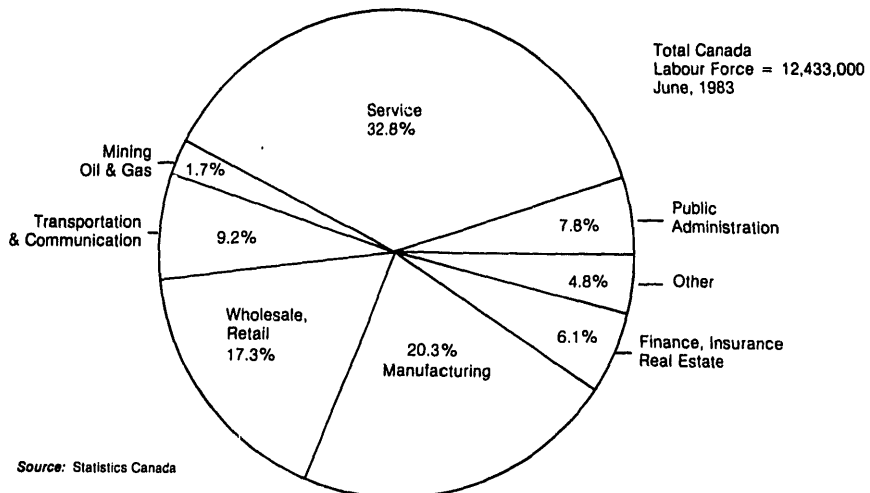
**Employment by Sector — N.W.T.**  
1983

Chart 8



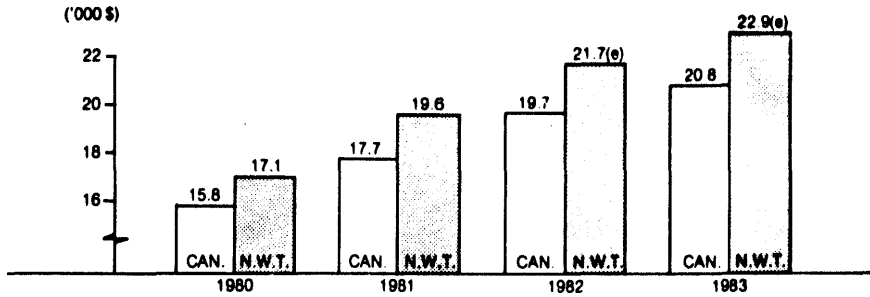
**Employment by Sector — Provinces**  
1983

Chart 9



**Personal Income (N.W.T. vs. Canada)  
1980-83**

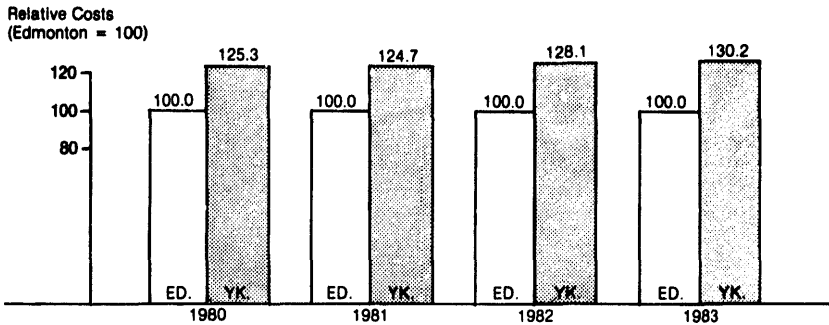
Chart 10



Source: Statistics Canada  
Revenue Canada

**Living Costs (Yellowknife vs. Edmonton)  
1980-83**

Chart 11



Source: N.W.T. Bureau of Statistics

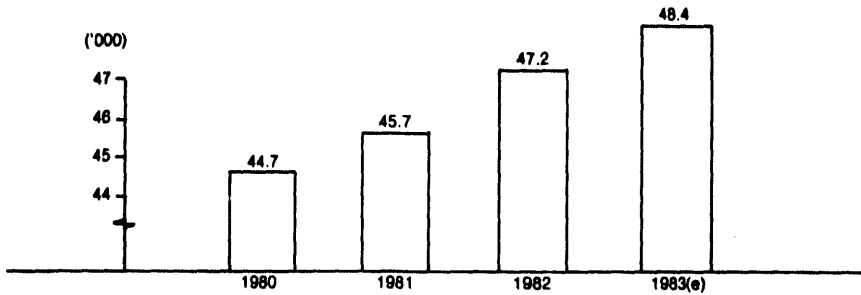
**Note:** N.W.T. costs shown above are for Yellowknife in relation to Edmonton. Costs for communities in other regions are significantly higher. Approximate relationships are Baffin: 163, Keewatin: 160, Kitikmeot: 195 and Inuvik: 156. Average for the Northwest Territories is 147.

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**Population — N.W.T.  
1980-83**

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Chart 12



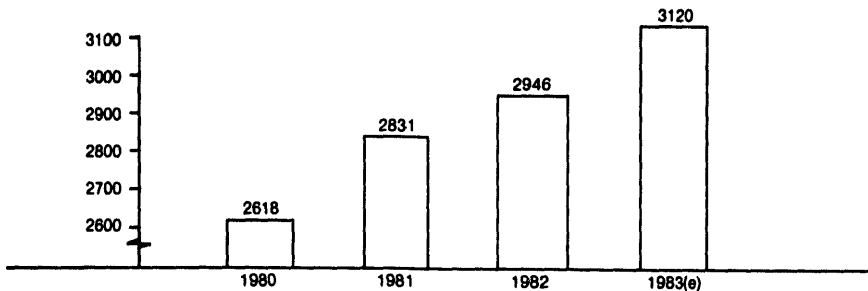
Source: Statistics Canada

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**Registered Companies — N.W.T.  
1980-83**

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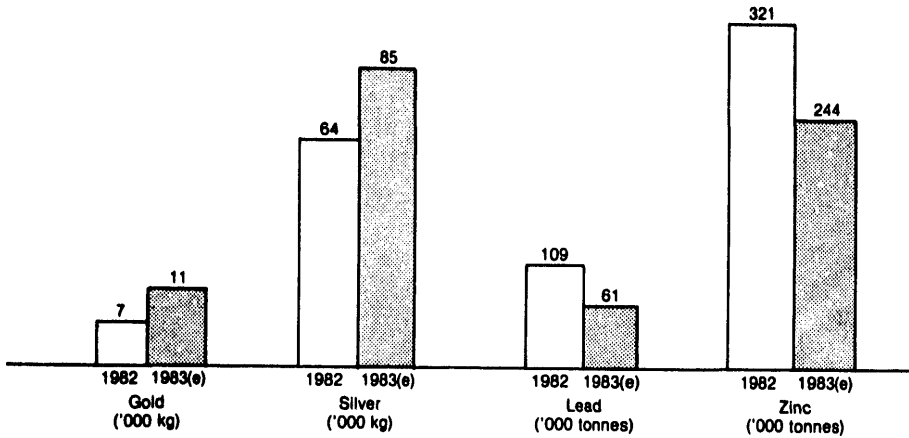
Chart 13



Source: GNWT Dept. of Justice & Public Service  
N.W.T. Bureau of Statistics

**Mineral Production — N.W.T.  
1982-83**

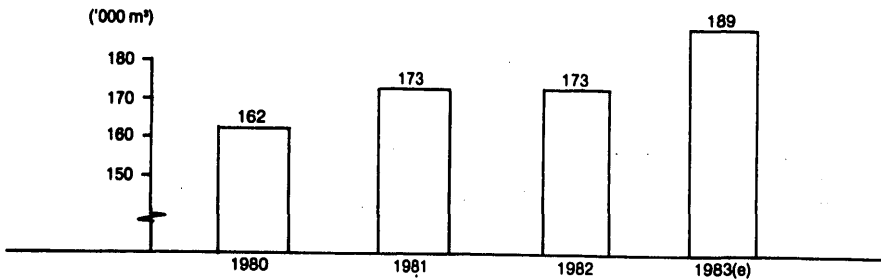
Chart 14



Source: GNWT Mining Inspection Services  
N.W.T. Bureau of Statistics

**Crude Oil Production - N.W.T.  
1980-83**

Chart 15



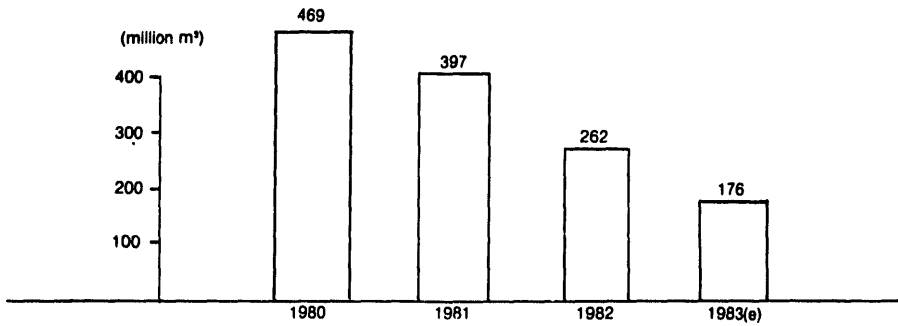
Source: DIAND  
N.W.T. Bureau of Statistics

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**Natural Gas Production — N.W.T.  
1980-83**

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Chart 16



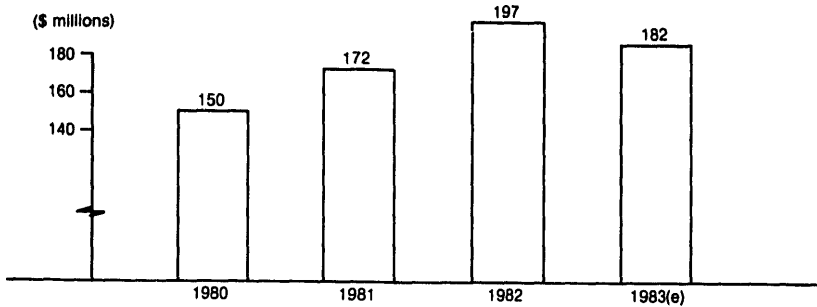
Source: DIAND  
N.W.T. Bureau of Statistics

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**Retail Trade — N.W.T.  
1980-83**

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Chart 17



Source: DIAND  
N.W.T. Bureau of Statistics

Northwest Territories