

KEVIN O'REILLY—MLA FRAME LAKE
Heritage Fund
Committee of the Whole—2018-2019 Operating Budget Review
Dept. of Finance—February 23, 2017

MR. O'REILLY: Sorry, just making sure I have got the right section. The NWT Heritage Fund, can someone tell me what the actual balance is in the Heritage Fund, because I cannot find it in the main estimates, and it is not in the business plans. I will make a comment about that in a minute, but I would like to know what the balance is. Thanks.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, as of Valentine's Day 2018, the balance in the Heritage Fund was \$17,110,798.32. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Great to get that Valentine's gift from the Minister of Finance.

Is there not somewhere in the business plan or in the main estimates that that total can be shown? We have got "liquor revolving fund presentation" as an information item in the main estimates, but something as fundamental as the Heritage Fund, I have to ask on an annual basis what the balance is. I am sure I could go and check in the public accounts, but, by the time we get the public accounts, they are more than a year old.

Is there not some way that we can show what the balance in the fund is through a footnote or a presentation in the business plan somewhere? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Minister.

HON. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, I take the Member's point, and I have had this question, I think, the last two budgets we have gone through. I will make the commitment that the balance of the Heritage Fund will show up in the business plans and the main estimates. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Minister, for that commitment. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I appreciate that commitment. I am the guy who keeps raising it and bugging you about it, so, yes, if we can find a way to do that, that would be great.

One of our mandate commitments is that we are going to look at the Heritage Fund Act legislation. Concerns have been raised around making sure that there is a legislatively defined revenue stream into the fund and that there is some greater role for the public in terms of governance. Where are we at with the legislation? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you, Mr. O'Reilly. Mr. Stewart.

MR. STEWART: Thanks, Mr. Chair. I think we are in a position to be able to come to

standing committee now and talk about the options that might be available to us. I think the option that we will probably be recommending to the Minister is related to looking at the types of investments that are currently set out and then possibly getting some external help with the management side of that.

When the Heritage Fund was set up, it was very conservative in terms of the types of things. You look at other funds, including some that are operated by the Legislative Assembly, that allow much more, I do not want to say “risky,” but certainly the potential for more growth. We think we can follow that model, and that extra revenue that we would generate would be more than enough to offset the cost of getting some external help on the management side.

We think that is probably the way to go in terms of improving the operation and making sure we are getting maximum value without taking too great a risk on the Heritage Fund. Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. Yes, I appreciate that. Is that conversation going to start with standing committee sometime in the next two or three months? Thanks, Mr. Chair.

CHAIRPERSON (Mr. Simpson): Thank you. Minister.

HON. ROBERT MCLEOD: Yes, thank you, Mr. Chair. We will come before standing committee within the next two or three months. Thank you.

CHAIRPERSON (Mr. Simpson): Thank you. Mr. O'Reilly.

MR. O'REILLY: Thanks, Mr. Chair. I appreciate that, and I look forward to the discussion.

Is this the place where I can ask about the Northern Resident Tax Deduction, which I know is a federal income tax area, but is this where I can ask questions around indexing of that deduction? Thanks, Mr. Chair.