

**KEVIN O'REILLY—MLA FRAME LAKE**  
**Sports, Recreation, and Youth**  
**Committee of the Whole—2020-2021 Operating Budget Review**  
**Dept. of Municipal and Community Affairs — June 10, 2020**

**MR. O'REILLY:** Thanks, Madam Chair. I just wish I had the encyclopedic knowledge of my colleague, the honourable Member for Nahendeh, because he was passionate about this in the last Assembly. I sat next to him, so a little bit of it rubbed off on me. This is an interesting line item because we took the money out of the MACA budget, or some people agreed to take the money out of the MACA budget. I will put it at that. Now it's being put back in, where it should have been left to support these activities. Can I get an explanation as to why it's going back at this point? Is this a permanent increase over time, or is this just a one-shot deal to support our youth and recreation? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Semmler):** Thank you, Member. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Thank you, Madam Chair. I am not as well-versed to speak to the ins and outs of what went out in the last round of negotiations in a prior Assembly. I can say that this \$650,000 is intended to be a temporary offset because of reduced revenues in 2018-2019 and 2019-2020 in Western Canadian Lotteries, which are a significant source of revenue for multisport funding within MACA. That reduction in revenue was resultant from lower lottery purchases than usual, which, in turn, was the result, at least in part, of a fairly significant network outage such that there simply was no ability to have sales of lotteries. That reduced the revenue by a significant margin. As such, there was a funding shortage, and so there is this money that has come forward here as far as being \$650,000. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Semmler):** Thank you, Minister. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. Thanks to the Minister for that. I am a bit disappointed to hear that this is just a one-time injection of cash. I guess we just have to revisit this in the next budget. Is that the way that this is going to get handled? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Semmler):** Thank you, Member. Minister.

**HON. CAROLINE WAWZONEK:** Thank you, Madam Chair. There are some preliminary estimates that suggest that, in part, and this is maybe one of those moments of a small silver lining. When the Arctic Winter Games were cancelled quite unfortunately, there were, of course, as a result, some savings in terms of costs. Right now, a preliminary estimate is that it may well have been \$450,000. That certainly helps to stabilize this fund. Again, similarly, if lottery ticket purchases also were to return and stabilize, then that should also reduce the reduction, increase the revenues that are going into this fund. With those two things, there may not be the same need to inject, sort of, a life raft into the funding. If that is the case, then there will be no need to increase this. Obviously, we will continue to monitor the fund and ensure that it is in stable condition. I believe that MACA does have a number of efforts under way to do

exactly that. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Semmler):** Thank you, Minister. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. I guess I will just go on record that I am concerned about the state of this fund, hearing that people are buying less lottery tickets than we had projected, and it's probably not going to get any better for a while. I know that there is going to be some annual reporting now, as a result of changes that I pushed in the last Assembly to get public reporting of this fund on an annual basis by the MACA Minister. I am going to be watching this carefully. What I don't want to see happen, though, is that we reduce the level of support for our youth in sports in the Northwest Territories. That is going to be particularly important in the post-pandemic world. Right now, we can't get out to do a lot of these things, so maybe there is not as much draw or demand for this, but there is going to be a lot of pent-up demand for people to get out and start doing things again pretty quick. Thanks, Madam Chair.