

KEVIN O'REILLY—MLA FRAME LAKE
NWT Heritage Fund
Committee of the Whole—2018-2019 Operating Budget Review
Dept. of Finance—February 9, 2021

MR. O'REILLY: Okay. Thanks, Madam Chair. I just want to move down the page to the NWT Heritage Fund. I know that my colleague from Thebacha was asking some questions yesterday about this. This just appears as a straight \$7,600,000 contribution into the heritage fund each year, but I know this gets reconciled somehow. However, when I turn over to page (xii) of the main estimates, it shows that the non-renewable resource revenues figures are shown there. There is also the net fiscal benefit to Aboriginal peoples on that page. Those figures just do not match up, and there is a contribution to the NWT Heritage Fund on page (xii). Why is it reported differently on that page than on this one? Thanks, Madam Chair.

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

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. What the page, I believe, here is looking at would be the projections or estimates of where this is going to end up year over year, and it is based on numbers that were established at the time of devolution, whereas the summary of resource revenue sharing, I believe, is a more accurate estimate. However, again for perhaps a more technical response, if I could turn it over to the deputy minister, please.

CHAIRPERSON (Ms. Semmler): Thank you. Deputy minister.

MR. KALGUTKAR: Thank you, Madam Chair. The amount that is in the management board secretariat is the base budget that we have established for that. That was, as the Minister said, established when we signed the devolution agreement. The page called "Summary of Resource Revenue Sharing," page (xii), the summary pages of the main estimates is an illustration of how that calculation is made based on the estimated resource revenues that were anticipated to be collected those fiscal years. The page probably can benefit from a note of explanation at the bottom, of what the purpose of that page is, and we could certainly do that going forward. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you. Member Frame Lake.

MR. O'REILLY: Yes. Thanks, Madam Chair. Yes. Then if you scroll down further into the main estimates, page 321, there is a single page that deals with the NWT Heritage Fund. I know we have not gotten to that yet, Madam Chair, but it shows different numbers for the Heritage Fund. I have got three different sets of numbers for the Heritage Fund in here. How would a member of the public know what is actually the real figure without some notes? It just does not make any sense whatsoever. I do not know why we are using devolution estimates. It has never come true. Quite frankly, I think it's just kind of misleading for anybody picking this up. They would not know exactly what is going into the heritage fund. I guess (xii) is our best guesstimate at this point. Is that the case? Thanks, Madam Chair.

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

HON. CAROLINE WAWZONEK: Yes. Thank you, Madam Chair. Yes, there certainly are different numbers, each one serving a different purpose or having a different function, and I was not able to get to page 321. Certainly, with respect to the page that we are on right now, it is the base-budget approach to budgeting, where this is the base budget that has been allotted and that remains here. Again, the "Summary of Resource Revenue Sharing" is actually a summary based on actual estimates or at least the estimate of the actuals. However, again, and I think this was suggested yesterday, that we can take some efforts to shift the direction and the way in which these are reported, of course, keeping in line with necessary accounting standards. I do not disagree, as much as possible, again, as long as we are continuing to align with accounting standards. Thank you, Madam Chair.

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

MR. O'REILLY: Thanks, Madam Chair. Okay. Just a little heads-up that I am going to be asking the Minister's sister Minister, Minister of ITI, about the catastrophic decline in resource revenues when we get to the ITI budget because that is really what feeds the net fiscal benefit transfer to the Aboriginal parties, which others have said is similarly going to decline from a predicted \$10 million here to as little as \$572,000. That is a 90 percent or more decline. However, I will leave that to when we get to ITI.