

## 2015-2016 Budget Highlights

- As outlined in *Sivumut Abluqta*, the GN is focused on four themes:
  - o Self-reliance and optimism through education and training;
  - o Healthy families through strong and resilient communities;
  - o Economic growth through responsible development across all sectors;
  - Good government through wise use of public resources.
- The GN is working hard to achieve these goals, including through the following investments:
  - **\$15 M to support instruction, school operations and teacher development**. We are also introducing new graduation requirements in English, math and science, and will be working more closely with families to promote school attendance.
  - **\$5 M to support mental health and addictions programing**, with a focus on improving front-line delivery. The government will also introduce a new *Public Health Act*, replacing current law that has not changed in 60 years.
  - **\$4 M to improve community health services**. We are also taking steps to define and enhance residential care for our seniors.
  - \$1 M for community transportation projects and another \$1 M for a new initiative to manage contaminated sites. Funding for environmental protection will rise by over forty percent.
- **Revenues:** The GN is budgeting to receive about **\$1,722 M** through federal transfers (\$1,535 M) and own-source revenues (nearly \$187 M, including over \$107 M in taxes). After including \$90 M in revenues from confirmed third-party agreements and \$12 M for recoveries, we expect to report total non-consolidated revenues of nearly \$1,824 M for 2015-16.
- Spending: The GN is budgeting to spend about \$1,673 M on programs and capital across core GN departments. After adjusting for expenses related to amortization, revolving funds, and third-party agreements—and including the \$30 M set aside for contingencies (known as 'supplementary requirements')—we project total expenses will be just under \$1,789 M.
- Surplus: Assuming the GN fully spends the \$30 M set aside for contingencies, and adjusting for the revenues and expenses related to third-party agreements (which have no net effect) we expect an operating surplus of just under \$23 M in 2015-16. When we include our estimates of recoveries (\$12 M), we expect the surplus published in the 2015-16 public accounts will be closer to \$35 M.
- **Borrowing:** As of December 31, 2014, GN borrowing under our federally-imposed debt cap came to about **\$305 M**. Much of this is used to guarantee loans by the Quilliq Energy Corporation and the Nunavut Housing Corporation. Much of the rest is to account for the GN's obligations related to capital leases and the Iqaluit airport. Roughly \$95 M in debt room remains.