

# 2010 BUDGET HIGHLIGHTS

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## By the Numbers

- **The GN plans total operations and maintenance (O&M) expenditures of \$1,089 million** for 2010-11, up \$20.7 million or 2 percent, from 2009-10. Setting aside an additional \$55 million for contingencies and other supplementary requirements, **the GN will balance its budget for 2010-11.**
- **The GN anticipates total revenues of \$1,256 million** in 2010-11, up \$70.4 million or 6 percent, from 2009-10. Over 90 percent of GN revenues flow from the federal government.
- **The GN will invest \$111 million in new funding on capital projects across Nunavut** in 2010-11, plus \$73 million in funding previously approved.

**Infrastructure:** Please see Section 1.1.2.2 of the *Fiscal and Economic Outlook* for a detailed enumeration of capital expenditures and federal infrastructure stimulus spending.

- **The GN plans to spend \$220 million on education and training** in 2010-11, up \$12 million from 2009-10, especially for support of K-12 schools.
- **The GN also plans to spend \$2 million to establish Government Liaison Offices in every community** in Nunavut to improve program and service delivery.
- **The GN expects to retire \$4 million of its consolidated debt load** in 2009-10, reducing overall territorial debt by 3 percent to \$146.2 million.

## Fiscal Outlook

- **The GN's future fiscal position is sound**, but the potential effects of federal budgetary constraints on the GN's fiscal arrangements raises some concern.
- **The GN's fiscal sustainability requires continued monitoring**, especially with respect to entitlement spending, such as on social assistance, social housing, health care and medical travel, as well as forced-growth spending such as on energy.

**Health-Care:** Please see Section 1.4.2 of the *Fiscal and Economic Outlook* for an in-depth look at expenditures on health care and medical travel.

## Economic Outlook

- In late 2008, many of the world's countries entered a deep recession, which is only now abating. Canada was not immune, but **strong fiscal and monetary responses to the crisis have helped the Canadian economy recover.**
- The Conference Board of Canada (CBoC) estimates that **Nunavut's real gross domestic product contracted 9.6 percent in 2009, and that it will rebound 9.9 percent in 2010.** Much of this fluctuation is attributable to the end of construction at Meadowbank, and not to the recession.
- **Nunavut's unemployment rate was 12.4 percent in 2009, down from 12.5 percent in 2008.** Of 18,800 working-age Nunavummiut, roughly 9,800 were employed in 2009, while 1,400 were unemployed, but seeking jobs. The CBoC expects employment to grow moderately in the near term.

**Productivity:** Please see Section 2.3.3 of the *Fiscal and Economic Outlook* for a special discussion of Nunavut's private-sector labour productivity.

- **Nunavut's economic output will shift from construction to mining** as the Meadowbank gold mine begins production this year. The public sector continues to play a large, stabilizing role in Nunavut's economy.