



BUDGET DIALOGUES 2025

WHAT WE HEARD

Une version française de ce document est disponible

**Government of
Northwest Territories**



K'áhshó got'íne xədə k'é hederí ɔedjhtl'é yeriniwé nı dé dúle.
Dene Kádé

ʔerihł'ís Dēne Sų́líné yatı t'a huts'elkēr xa beyáyatı theɔɔ ɔat'e, nuwe ts'ēn yóftı.
Dēne Sų́líné

Edı gondı dehgáh got'je zhaté k'éé edat'éh enahddhę nıde naxets'é edahlı.
Dene Zhaté

Jii gwandak izhii ginjik vat'atr'ijáhch'uu zhit yinoththan jı', diits'àt ginohkhii.
Dinjii Zhu' Ginjik

Uvanittuaq ilitchurisukupku Inuvialuktun, ququaqluta.
Inuvialuktun

Ć'ɔɔ ɔɔŋ'ɔɔɔɔɔɔ ɔɔɔɔɔɔɔɔ ɔɔɔɔɔɔɔɔɔɔɔɔɔɔ, ɔɔɔɔɔɔɔɔ ɔɔɔɔɔɔɔɔɔɔɔɔɔɔ.
Inuktitut

Hapkua titiqqat pijumagupkit Inuinnaqtun, uvaptinnut hivajarlutit.
Inuinnaqtun

kīspin kī nitawihtīn ē nīhīyawihk ōma ācimōwin, tipwāsinān.
nēhiyawēwin

Tłıchq yatı k'èè. Dı wegodi newq dè, gots'ó gonede.
Tłıchq

Indigenous Languages
request_indigenous_languages@gov.nt.ca

CONTENTS

Minister's Message	1
Executive Summary.....	2
Engagement Process	2
Key Themes from Engagement.....	2
Survey Findings	2
Next Steps	3
Introduction	4
Methodology.....	5
Results	6
Public engagement	6
Targeted Engagement.....	8
Online survey	11
Next Steps	15

This page purposely left blank.

MINISTER'S MESSAGE

As Minister of Finance, I am pleased to present the Budget Dialogues 2025 What We Heard Report. This year's engagement brought together residents, Indigenous and community governments, businesses, industry, and non-governmental organizations to share their views on the Government of the Northwest Territories' (GNWT) fiscal decisions and decision-making process.

As the Northwest Territories economy transitions with the slowdown in diamond mining, government has an important role to play in supporting stability and charting a new path forward in collaboration with Indigenous governments, industry and residents. Through strategic investments and partnerships, the GNWT can help strengthen collaboration, diversify the economy, and build the resilience needed for long-term prosperity. Through Budget Dialogues 2025, we heard clearly where residents want government to focus. Housing, healthcare, education, and infrastructure remain top priorities. People expressed concerns about fiscal sustainability and debt management, called for stronger coordination across government, and emphasized the importance of transparency and accountability in decision-making.

This feedback will guide the development of Budget 2026–27 and inform the broader fiscal strategy of the 20th Legislative Assembly. We will continue to be guided by the principles of fiscal responsibility and transparency, ensuring that our spending decisions reflect the priorities of Northwest Territories residents while laying the groundwork for long-term economic transition.

Thank you to everyone who participated in Budget Dialogues 2025. Your insights and perspectives are invaluable and will help shape the GNWT's path toward a strong and sustainable future for the Northwest Territories.



Honourable Caroline Wawzonek
Minister of Finance

EXECUTIVE SUMMARY

ENGAGEMENT PROCESS

Budget Dialogues 2025 invited residents, Indigenous governments, community governments, businesses, industry, and non-governmental organizations to share their views on GNWT's fiscal priorities. Engagement took place through:

- online survey (211 responses);
- three public sessions (Yellowknife, Inuvik, and online);
- four targeted engagement sessions with key stakeholder groups.

KEY THEMES FROM ENGAGEMENT

Fiscal sustainability and debt management: widespread concern about GNWT's growing debt and lack of a clear strategy;

Healthcare costs: medical travel, staffing, and service delivery pressures were top concerns;

Housing and infrastructure: calls for better coordination and investment, especially in remote communities;

Indigenous and community collaboration: desire for more transparent and bilateral budget planning;

Economic transition: interest in diversifying beyond mining and leveraging federal funding;

Education and youth support: concern over reduced classroom supports and calls for community-based services;

Governance and transparency: questions about policy effectiveness and alignment with federal priorities.

SURVEY FINDINGS

Respondents prioritized increased spending in healthcare, housing, and economic development. Suggestions for cost savings included:

- reducing senior management and consultant use;

- reforming medical travel and agency nurse reliance;
- reassessing housing eligibility and maintenance;
- focusing education spending on K–12 outcomes; and
- limiting subsidies to resource industries.

NEXT STEPS

Feedback from Budget Dialogues 2025 will inform the development of Budget 2026–27 and the fiscal strategy of the 20th Legislative Assembly. The GNWT remains committed to ongoing dialogue with residents to ensure budgets reflect community priorities and fiscal realities.

INTRODUCTION

Budget dialogues 2025 continues the annual tradition of asking Indigenous Governments, community governments, businesses, industry, non-Governmental Organizations and members of the public for their views on how the GNWT is managing its fiscal resources to provide the programs and services that residents need and want.

The NWT economy is undergoing a transition with diamond mine activity slowing and lingering uncertainty with ongoing U.S. trade actions. The GNWT is facing rising costs and increased public sector debt. While these challenges present pressures on fiscal planning, they also create space for innovation, adaptation, and a need for strategic investments in key opportunities to build a stronger and more stable future for NWT residents.

METHODOLOGY

There were three available options to provide input for the Budget Dialogues 2025:

1. **Online survey:** An online survey published on the GNWT [Have Your Say website](#) from May 9 – June 20, 2025.
2. **Targeted engagement:** The Minister of Finance hosted four targeted engagement sessions with representatives from:
 - Indigenous governments and Indigenous organizations
 - Community governments
 - Business and industry
 - Non-governmental organizations (NGOs)

All targeted engagement sessions were conducted online, using Microsoft Teams.

3. **Public engagement:** The Minister hosted three public engagement sessions:
 - May 15 (Online only)
 - June 16 (in-person, Yellowknife)
 - June 20 (in-person, Inuvik)

To help build public awareness and understanding, the Department of Finance also hosted information booths at the Yellowknife Spring Trade Show (May 10 and 11) and Arctic Development Expo in Inuvik (June 18 and 19). The information booths used Lego® blocks to represent different areas of spending for the GNWT operating budget and demonstrated how trade-offs are necessary if residents wished to see increased funding in certain areas.

RESULTS

PUBLIC ENGAGEMENT

SESSION	NUMBER OF PARTICIPANTS
ONLINE	10
YELLOWKNIFE	8
INUUVIK	5

OBSERVATIONS

FISCAL SUSTAINABILITY AND DEBT MANAGEMENT

- Concerns about GNWT's growing debt and the lack of a clear plan for managing the increased debt ceiling.
- Questions about debt servicing, especially in light of declining revenues from diamond mines and potential interest rate increases.
- Suggestions for new revenue sources, including a territorial sales tax or progressive taxation targeting higher earners.
- Interest in alternative funding models and whether capital investments reduce long-term maintenance costs.

HEALTH AND SOCIAL SERVICES (HSS) COSTS

- HSS is seen as a major budget driver due to:
 - High staffing costs
 - Medical travel
 - Facility operations
 - Child and family services
- Cuts to Education Assistants (EAs) due to changes in Jordan's Principle funding were a major concern, especially their impact on student well-being and mental health.
- Calls for territorial-level contingency planning to buffer against federal funding volatility.

HOUSING AND INFRASTRUCTURE

- Housing shortages and underfunding were highlighted, especially in Yellowknife and remote communities.
- Frustration over lack of coordination between GNWT, federal government, and Indigenous governments on housing delivery.
- Specific concerns from Délı̨nę about outdated school infrastructure and lack of capital investment.

INDIGENOUS AND COMMUNITY COLLABORATION

- Questions about the extent of GNWT collaboration with Indigenous governments on budget planning.
- Emphasis on the need for bilateral discussions and transparency in capital project evaluations.
- Concerns about equity in municipal funding, with MACA's new funding model being implemented gradually to avoid shocks.

ECONOMIC TRANSITION AND REVENUE GENERATION

- Worries about the decline of the diamond mining sector and its impact on tax revenues.
- Interest in population growth in Yellowknife as a potential revenue opportunity through increased federal transfers.
- Questions about balancing investment between economically active centers and remote communities reliant on government spending.

EDUCATION AND YOUTH SUPPORT

- Deep concern over loss of Education Assistants and the broader impact on classroom support, especially for marginalized and at-risk students.
- Calls for community-based assessments and diagnostics to reduce the burden on families traveling for services.

GOVERNANCE AND POLICY TRANSPARENCY

- Questions about the effectiveness of the Business Incentive Policy (BIP) and whether it supports or hinders GNWT goals.
- Interest in how federal timelines for “nation-building” projects align with GNWT's regulatory and planning processes.

TARGETED ENGAGEMENT

SESSION	PARTICIPATING ORGANISATIONS
NON-GOVERNMENTAL ORGANISATIONS	<ul style="list-style-type: none"> • Arctic Energy Alliance • Canadian Cancer Society (AB/NWT Unit) • College and Association of Nurses of the Northwest Territories and Nunavut • Northern Mosaic Network • Northwest Territories Federation of Labour • NWT Disabilities Council • NWT Teachers Association • Salvation Army • Union of Northern Workers • YWCA NWT
BUSINESS AND INDUSTRY	<ul style="list-style-type: none"> • Canadian North • Northwest Territories & Nunavut Construction Association • NWT & Nunavut Chamber of Mines • Rio Tinto – Diavik Diamond Mine • Summit Air
INDIGENOUS GOVERNMENTS AND INDIGENOUS ORGANIZATIONS	<ul style="list-style-type: none"> • Déłıne Got'ıne Government • Gwich'in Tribal Council • Inuvialuit Regional Corporation • Kátl'odeeche First Nation • Dene Nation
COMMUNITY GOVERNMENTS	<ul style="list-style-type: none"> • City of Yellowknife • Hamlet of Enterprise • Hamlet of Fort McPherson • Hamlet of Paulatuk • Hamlet of Tulita • Hamlet of Uluhaktok • Hamlet of Whatı • Kátl'odeeche First Nation • Sambaa K'e First Nation • Town of Fort Smith • Town of Hay River • Town of Inuvik • Tłıchq Government • Yellowknives Dene First Nation

OBSERVATIONS

INFRASTRUCTURE AND TRANSPORTATION

- Mackenzie Valley Highway (MVH) and other major infrastructure projects (e.g., Dempster Highway, Inuvik-Fort Good Hope winter road) are top priorities for Indigenous Governments (IGs), Indigenous Organizations (IOs), and communities.
- There is a strong push to align these projects with federal priorities, especially Arctic security and economic development.
- Concerns were raised about the allocation and transparency of infrastructure funding, particularly discrepancies between announced and contracted amounts.

ARCTIC SECURITY AND STRATEGIC FEDERAL FUNDING

- Communities and leaders emphasized the need to redefine Arctic security to include local infrastructure, housing, and services, enabling access to federal and NATO-aligned funding.
- Yellowknife and Inuvik, as forward operating centers, are seen as key to leveraging this funding.

HOUSING AND COMMUNITY DEVELOPMENT

- High construction costs and lack of consultation on housing delivery in remote communities were major concerns.
- There is a call for greater transparency in housing funding flows, especially federal dollars going to Indigenous governments and Indigenous organizations.
- NGOs and communities requested more predictable and sustained funding for shelters and housing-related services.

HEALTHCARE COSTS AND EFFICIENCY

- The cost of medical travel is a major budgetary pressure.
- Concerns about agency nurse costs, southern placements, and staffing shortages were raised, with calls for better data and planning.
- NGOs emphasized the need for sustainable healthcare funding, especially for vulnerable populations like seniors and people with disabilities.

ECONOMIC VISION AND FISCAL STRATEGY

- Business and industry stakeholders called for a clear, unified economic vision for the NWT that includes IGs/IOs and industry.
- Concerns about the GNWT's debt strategy and reliance on increasing borrowing limits were raised, with suggestions to explore bonds and public-private partnerships (P3s).
- Regulatory delays and lack of alignment with federal timelines were seen as barriers to accessing federal economic stimulus.

EQUITY IN FUNDING DISTRIBUTION

- Smaller and remote communities expressed concern about inequitable funding distribution, especially in infrastructure and housing.
- Requests were made for clearer breakdowns of funding allocations to small vs. larger communities.

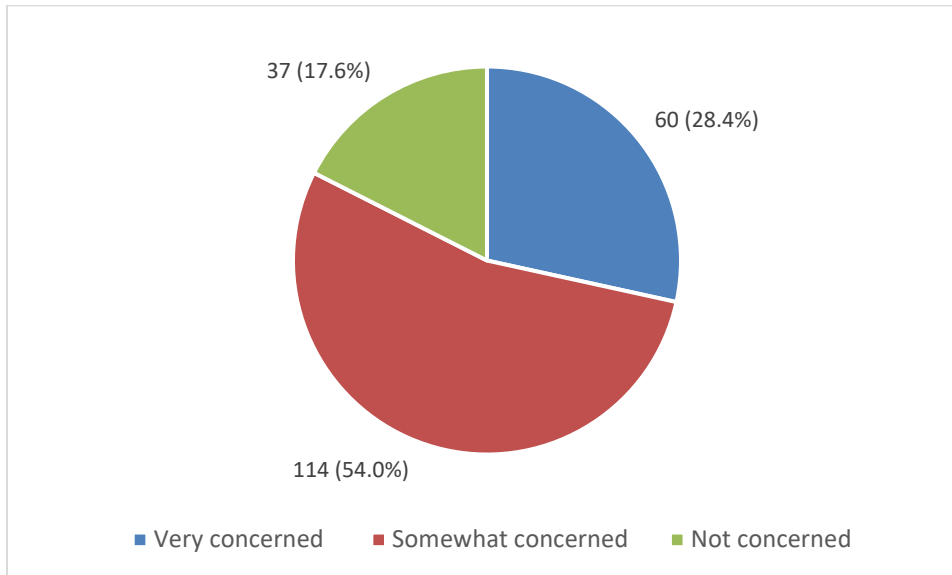
ENVIRONMENTAL AND CULTURAL CONSIDERATIONS

- Projects like Grays Bay raised concerns about caribou migration and the need for environmental assessments and community consultation.
- There is a need to balance development with environmental stewardship and traditional land use.

ONLINE SURVEY

212 respondents completed the online survey.

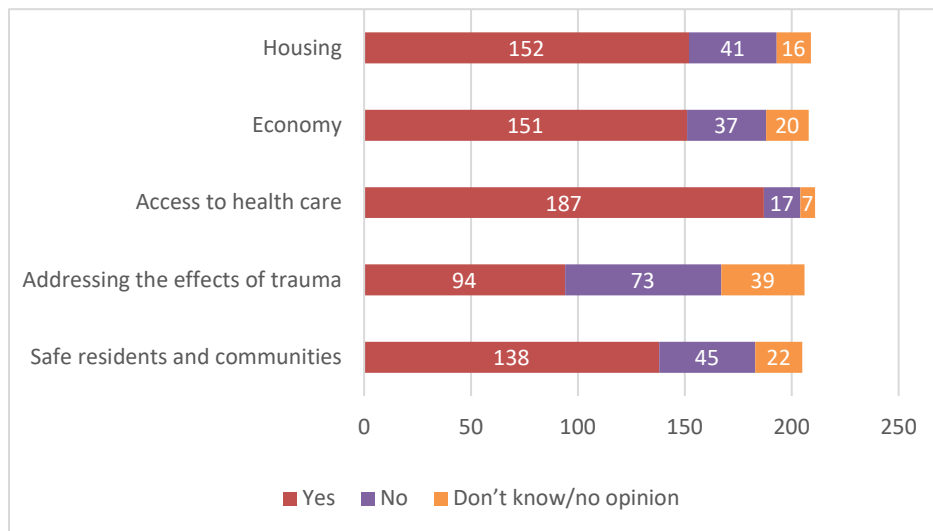
QUESTION 1: HOW CONCERNED ARE YOU ABOUT THE GNWT RUNNING A DEFICIT AND TAKING ON MORE DEBT?



OBSERVATIONS

- Many respondents emphasized the need for fiscal discipline, cost-benefit analysis, and reducing inefficiencies before increasing spending.

QUESTION 2: DO YOU AGREE THAT THESE ARE THE AREAS YOU WOULD LIKE TO SEE THE GNWT INCREASE SPENDING?

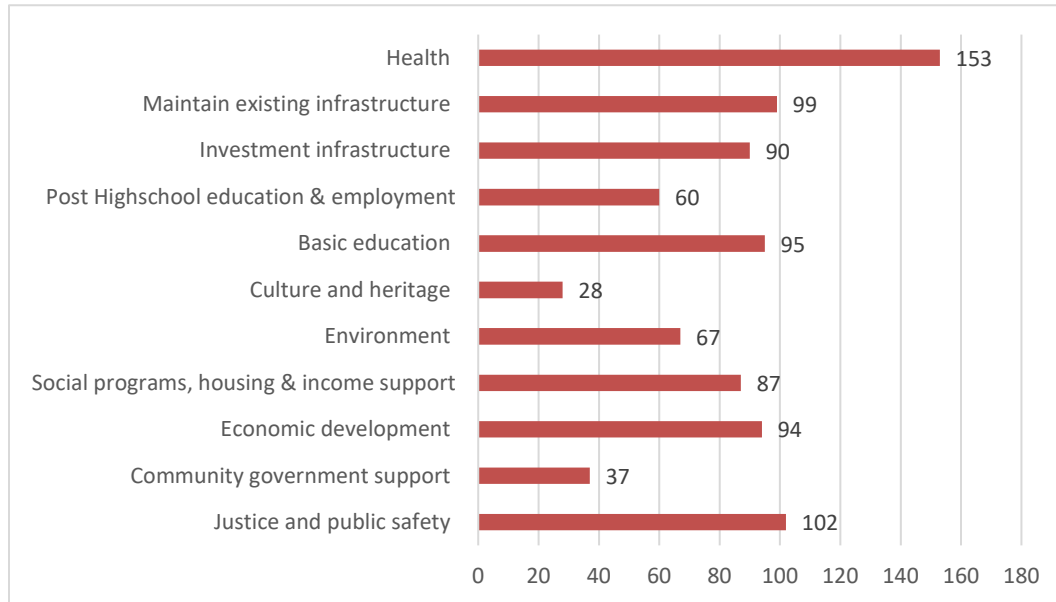


QUESTION 3: DO YOU HAVE ANY SPECIFIC IDEAS ABOUT WHAT THE GNWT SHOULD SPEND MORE ON IN THESE PRIORITIES?

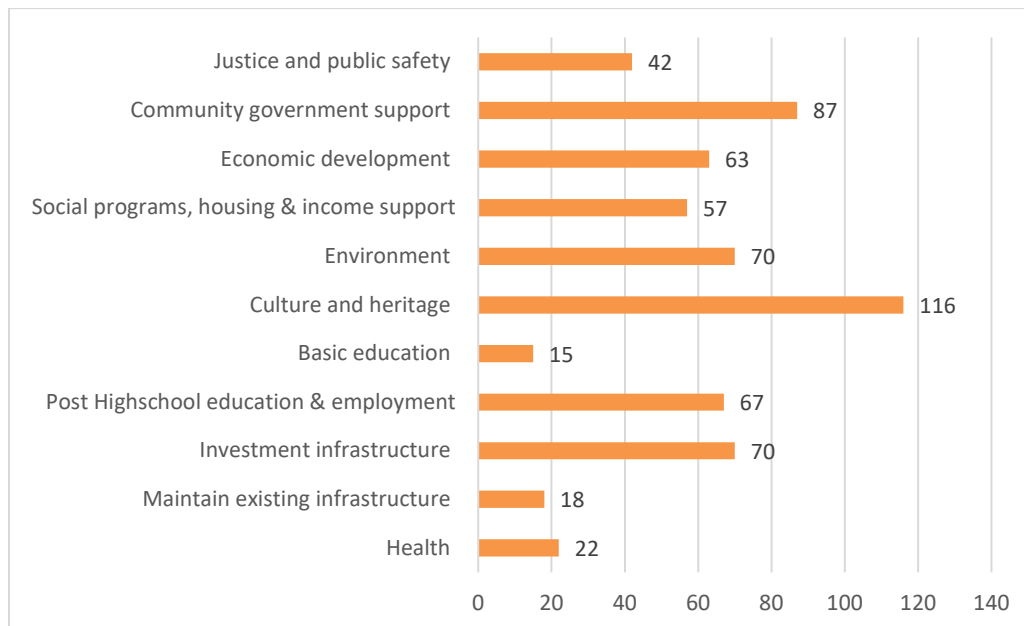
OBSERVATIONS

- **Healthcare:** Improve access, reduce reliance on locums, invest in local staff, and expand mental health and trauma services.
- **Housing:** Build affordable and supportive housing, streamline land access, and partner with Indigenous governments.
- **Economy:** Invest in infrastructure (e.g., Mackenzie Valley Highway), support small businesses, and diversify beyond mining.
- **Trauma and Safety:** Emphasize prevention, community-based healing, and culturally appropriate services over policing.

QUESTION 4: THE GNWT IS RESPONSIBLE TO PROVIDE PROGRAMS AND SERVICES IN THE FOLLOWING AREAS. WHERE WOULD YOU LIKE TO SEE THE GNWT SPEND MORE?



QUESTION 5: IF THE GNWT INCREASES SPENDING IN YOUR CHOSEN PRIORITY AREAS, WHERE SHOULD IT REDUCE SPENDING TO BALANCE THE BUDGET?



QUESTION 6: DO YOU HAVE ANY SPECIFIC IDEAS ABOUT HOW THE GNWT CAN REDUCE SPENDING?

OBSERVATIONS:

Efficiency and Government Reform

- Overwhelming concern about a “bloated” public service, especially in senior management.
- Calls for audits, performance reviews, and cutting redundant or underperforming roles.
- Suggestions to reduce travel, office space, and consultant use.

Healthcare

- Criticism of medical travel inefficiencies and overuse of agency nurses.
- Suggestions to invest in permanent staff and regional service hubs.

Housing

- Calls to reassess public housing eligibility and maintenance costs.
- Suggestions to limit housing for repeat offenders or those who damage units.

Economy and Infrastructure

- Mixed views: some want to cut large infrastructure projects (e.g., Slave Geological Province road), others want to prioritize only those with clear ROI (Return on Investment).
- Suggestions to reduce subsidies to mining and oil/gas companies.

Education

- Criticism of the polytechnic university plan; many see it as unnecessary or unrealistic.
- Suggestions to consolidate school boards and focus on K–12 outcomes.

Public Safety and Justice

- Some want to reduce spending on policing and corrections in favor of social supports.
- Others call for more accountability in justice-related spending.

Environment and Climate

- Some respondents see climate spending as a luxury and suggest cutting it in favor of core services.

NEXT STEPS

Budget Dialogues 2025 is part of an ongoing discussion with Northwest Territories residents about the fiscal constraints facing the GNWT and the priorities of the Legislative Assembly for the upcoming budget. This report summarizes the results of the dialogue and will be used in the upcoming budget planning cycle to shape Budget 2026-27.

The information received will be used in drafting the third budget of the 20th Legislative Assembly.