



May 27, 2016

VIA EMAIL

Mr. Tom Beaulieu,
Chair of the Standing Committee on Priorities and Planning
Legislative Assembly of the Northwest Territories

Dear Mr. Beaulieu,

RE: Budget 2016 Submission

Many thanks for your response on May 18, 2016 regarding our budget submission (attached) and an opportunity to elaborate on our position.

The Union of Northern Workers (UNW) believes that the Northwest Territories is at a crossroads with this upcoming budget and that the government has an obligation to support the people who are on the front lines providing everyday services and building community. Throughout the territory our members are hearing the common refrain that investing in large infrastructure projects like highways and mine infrastructure will mean economic prosperity over the long term.

We have been informed that there are 106 proposed reductions in unionized positions, and that at least 52 unionized employees have been given affected notices, in relation this year's budget.

We heard earlier this year that there is a need to find \$150 million in efficiencies. Yet in the short-term we know that the GNWT is going to have surplus money over the next two years. While that money may appear to be dwindling in our present economic slowdown, we are nowhere near being in a dire fiscal situation. At the same time, there are severe social problems in the NWT that need attention. Some of those issues can be best addressed with adequate funding to our members who provide those services or to attract people North to help us. Well paid, secure jobs in the public service will help stabilize the economy and appeal to people who want to make their home in the North for the long-term.

We urge you to reject any and all proposals to eliminate jobs.

The federal government's budget earlier this year showed a renewed interest in the North. We saw an increase in the Northern Residents Reduction, monies provided in affordable housing, and money in education and training. It is time that the territorial government shows the same level of interest in the people who live here.

To be clear, our position is not to avoid infrastructure investment or the support of industry, but we are saying that this should not be this year's priority. If the GNWT is claiming that it is short on funds, why would beginning new roads be an appropriate use of our tax dollars now?

Mr. Tom Beaulieu, Chair of Standing Committee of Priorities and Planning

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In the opening proposal from the GNWT from our very first day of bargaining, the GNWT stated: *“We recognize that retaining positive and motivated staff is vital to the GNWT’s success.”* The Careers page on the GNWT website states *“We are committed to creating and maintaining a competent public service...”* And the Committee is of course very familiar with the *Mandate of the Government of the Northwest Territories, 2016-2019*, which states in the Introduction, *“A strong territory needs a strong society. All residents of the NWT should have the chance to enjoy the benefits of living in a prosperous, well-governed territory and to participate fully in a healthy, just society. The GNWT is committed to helping our residents achieve their aspirations for themselves, their families and their communities.”*

We are appealing to the Committee to support the hardworking, dedicated employees of the GNWT by rejecting proposals to eliminate jobs. A solid, positive workforce is vital in strengthening the economy. A reduced, depressed, and overburdened workforce will have the opposite effect. UNW members are not just GNWT employees – they are also contributing members of their communities and the Territory. They deserve a sense of security in their ability to support their families.

I would be happy to do a presentation to the Standing Committee and I am open to discussing this issue with you personally.

Sincerely,



Todd Parsons
President

TP/cjl
Enclosures.

cc: UNW Full Executive



**Submission of the
Union of Northern Workers
to the
Government of the Northwest Territories**

Budget Dialogue 2016

Protecting Workers and Residents

April 18, 2016

The Union of Northern Workers places a high priority on protecting high quality, public service employees in the GNWT. When the territorial government is advocating another round of cuts to expenditures for the upcoming budget, we are fighting to ensure that any reductions do not include jobs. We are again asking the general public and MLAs to stand with us over the coming weeks in our battle to protect those working in the public service. It is also no secret that we are in the process of negotiating a new collective bargaining agreement where we are aiming to build on our legacy of creating an ever-improving, more attractive workforce in the public sector.

Jobs Affect Everyone

We support the government's effort to find the best ways of spending tax dollars for the best value. Right now that should mean investing in our workers who are here spending money in our local economies and who are here contributing the human energy needed to support vibrant, spirited Northern communities. It means revenue for shops, restaurants and other businesses, and a more sociable, civic body. It also means that the North can remain an attractive destination for other Canadians and global citizens to seek. The government plans to attract more than 2,000 people by 2019 to the NWT to collect \$30,000 per person from the federal government through the Territorial Formula Financing Grant. How can this be achieved if they are contributing to job layoffs?

The impact of job losses also affects those left behind and creates what is known as "survivor's guilt." The ones who keep their jobs go to work, but see the empty desk and it negatively impacts their mental health. They feel badly for this lost coworker. They wonder who will be next. They have an increased workload. They cut back on discretionary spending (like leisure activities, gifts, going out) to save money which keeps more money out of the local economy.

Maintain Programs and Services to the Public

The government says that it wants to find \$150 million worth of cuts to expenditures, but right now we don't know what that could mean for badly needed public services. There remain urgent demands for investments in such areas as daycare and junior kindergarten to support working mothers and families, homelessness and addictions issues spiraling out of control, climate change that needs a strong territorial voice and an aging population that needs new housing urgently. Now is not the time to cut and run from our overdue social obligations with severe cuts.

Roads or People?

Of late, the government has focused its messaging on the need to invest hundreds of millions of dollars in infrastructure projects with the hopes that heavy spending will stimulate the economy and provide long-term stability for the region. We believe this course of action can be compared to renovating your house when money is tight – your money can be better spent feeding your family and paying your bills. Similarly, is this really the time to pour money into new roads and physical infrastructure when the economy is slow? Should taxpayer money be put toward risky ventures as is being proposed with P3 highways and other massive projects?

Public Private Partnerships

The union strongly opposes Public-Private Partnerships (P3s) where the government enters long-term contracts with private companies for large infrastructural projects. P3s have proven time and again to cost governments and taxpayers more money in the long-run and lack the openness and transparency that citizens enjoy through a public process. We remain very concerned that planned projects for highways or long-term senior care - if left to private interests driven by profit - will lead to continued cuts to quality public service positions, poorer service and a greater cost to the taxpayer.

Proceed with care

All is not doom and gloom and as some MLAs have pointed out, the economic picture may be very different in a year's time. Presently the GNWT is paying less than five per cent of its general revenue on servicing its debt. This would be considered enviable to most residents typically have to pay up to 25 to 30 per cent of their income paying off a mortgage. The GNWT states on its Careers website: "We are committed to creating and maintaining a competent public service that is representative of the population we serve."

We appreciate the GNWT is reaching out to residents by asking for written input on the budget. We would also like to see public forums and roundtables, as has been done in previous years, to allow for open dialogue, brainstorming and informed two-way discussion.