

LEGISLATIVE ASSEMBLY OF THE

NORTHWEST TERRITORIES

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NORTHWEST TERRITORIES

SESSIONAL PAPER NO. 6, 1964 (First Session)

SOCIAL ASSISTANCE AND ECONOMIC CONDITIONS IN THE MACKENZIE DISTRICT

The Territorial Social Assistance Program, for persons other than Registered Indians and Eskimos, is identical to the Social Assistance Program for Eskimos operated by the Northern Administration Branch. It provides groceries, clothing, fuel, shelter and other items to persons who are unable to maintain themselves and their dependents at a minimum standard of health and decency. The maximum amounts allowable for groceries and clothing are fixed, and are based on the numbers of persons (dependents) for whom the applicant is responsible, their ages, and the cost of food in the community in which they live. The amounts that can be provided for fuel, shelter and other items are not fixed, but are at the discretion of the issuing officer.

The maximum amounts allowable for groceries in individual communities were arrived at by preparing a list of food necessary to maintain health, as recommended by the Department of National Health and Welfare, and determining the cost of the food in each community. The costs are then grouped, averaged in each group, and rounded.

To be eligible for Social Assistance, an applicant must have made every reasonable effort to support himself and his dependents. The amount for which he is eligible is the difference between his income from all sources, and the amount required to maintain him and his dependents.

Eligibility is calculated monthly, and earnings for the previous month, in cash or kind, are taken into account. Residence in the Northwest Territories cannot be considered in determining eligibility, for the Unemployment Assistance Agreement, under which the Northwest Territories recovers fifty per cent of Social Assistance expenditures from the Government of Canada, forbids this being done.

Although the Social Assistance Program is a general, rather than a categorical assistance program, the reason for the need for assistance is obtained from each client. These reasons are classified as follows:

1. Health reasons - This classification is used for cases in which the normal breadwinner is unable to support himself because of illness, advanced age or physical disability, and includes cases where the breadwinner is hospitalized.
2. Dependent children - This classification is used for cases in which there is no breadwinner, and the head of the household is prevented from maintaining herself by the need to care for dependent children.
3. Economic reasons - This classification is used for cases in which there is a breadwinner who could provide for himself and his family through employment or self-employment, if opportunities to do so were available.
4. Other reasons - This classification is used for cases which do not fall into the above categories.

For all practical purposes, the persons in the first three categories are unemployable, and would not be able to take employment if it were available. The latter group, who are in receipt of social assistance for economic reasons are employable, and could accept wage employment if it were available. The state of the economy, insofar as unemployment is concerned, can therefore be gauged by the number of persons in the latter group.

TABLE 1

TERRITORIAL SOCIAL ASSISTANCE EXPENDITURE

Mackenzie District

October 1, 1962 to September 30, 1963

in Dollars

Month	Reasons		Other c	Total a,b,c	Economic d	Total a,b,c,d
	Health a	Dep. Child. b				
Oct.	\$ 1,907	\$ 3,732	\$ 113	\$ 5,752	\$ 8,232	\$ 13,984
Nov.	1,276	3,786	685	5,747	7,330	13,077
Dec.	2,161	3,930	400	6,491	12,289	18,780
Jan.	2,397	4,541	125	7,063	13,797	20,860
Feb.	2,327	3,708	56	6,093	10,928	17,021
Mar.	1,974	4,013	139	6,126	7,935	14,061
April	2,251	5,077	174	7,502	10,677	18,179
May	1,824	3,799	185	5,808	7,374	13,182
June	1,899	3,452	280	5,631	895	6,526
July	1,695	3,420	193	5,308	5,670	10,978
Aug.	1,843	3,669	71	5,583	6,501	12,084
Sept.	2,477	3,386	303	6,166	7,393	13,559
Total	\$24,031	\$46,513	\$2,726	\$73,270	\$99,021	\$172,291
Percentage	13.8%	26.1%	1.5%	41.4%	58.6%	100%

Mackenzie District

As shown by Table 1, 58.6% of social assistance expenditures went to persons who were unemployed, but were available for employment, whereas 41.4% of social assistance expenditures went to unemployable persons. Social assistance expenditures of about \$73,000 would have been required even if employment had been available for all employable persons.

<u>TABLE 2</u>						
TERRITORIAL SOCIAL ASSISTANCE EXPENDITURE						
Fort Smith Region						
October 1, 1962 to September 30, 1963						
in Dollars						
Month	Reasons		Other c	Total a,b,c	Economic d	Total a,b,c,d
	Health a	Dep. Child. b				
Oct.	\$ 769	\$ 1,264	\$ 0	\$ 2,033	\$ 7,290	\$ 9,323
Nov.	371	1,011	365	1,847	6,204	8,051
Dec.	623	1,528	16	2,167	9,956	12,123
Jan.	959	1,549	0	2,508	10,377	12,885
Feb.	990	1,286	10	2,286	8,787	11,073
Mar.	1,030	1,504	12	2,546	6,378	8,924
April	978	1,720	0	2,698	9,075	11,773
May	7,835	908	0	1,743	6,561	8,304
June	757	1,220	114	2,091	317	2,408
July	740	725	43	1,508	4,715	6,223
Aug.	738	832	20	1,590	5,118	6,708
Sept.	1,096	815	116	2,027	6,191	8,218
Total	\$9,986	\$14,462	\$ 696	\$25,344	\$80,909	\$106,348
Percentage	9.4%	13.7%	.7%	23.8%	76.2%	100%

Fort Smith Region

As shown by Table 2, social assistance expenditures for economic reasons in the Fort Smith region form a large part of the total expenditures than in the District as a whole, whereas expenditures for Health, Dependent Children and other reasons are considerably lower. Unemployment appears to be a bigger problem in the Fort Smith Region than in the District as a whole.

TABLE 3

TERRITORIAL SOCIAL ASSISTANCE EXPENDITURE

Yellowknife Region

October 1, 1962 to September 30, 1963

in Dollars

Month	Reasons		Other c	Total a,b,c	Economic d	Total a,b,c,d
	Health a	Dep. Child. b				
Oct.	\$ 418	\$ 1,809	\$ 65	\$ 2,292	\$ 155	\$ 2,447
Nov.	232	2,061	320	2,613	342	2,955
Dec.	709	1,758	384	2,851	1,690	4,541
Jan.	829	2,198	125	3,152	2,204	5,356
Feb.	579	1,620	48	2,247	1,386	3,633
Mar.	694	2,035	92	2,821	1,048	3,869
April	618	2,645	157	3,420	879	4,299
May	573	2,275	98	2,946	224	3,170
June	483	1,553	16	2,036	413	2,449
July	486	1,763	150	2,399	454	2,853
Aug.	407	2,211	51	2,669	489	3,358
Sept.	587	1,915	122	2,624	429	3,053
Total	\$ 6,619	\$23,823	\$ 1,628	\$ 32,070	\$ 9,913	\$ 41,983
Percentage	15.8%	56.7%	3.9%	76.4%	23.6%	100%

Yellowknife Region

Table 3 shows that in the Yellowknife Region expenditures of Social Assistance for economic reasons are lower than in the District as a whole, and than in the Fort Smith Region. The evidence seems to indicate that, compared to Fort Smith, there is a high level of employment in the Yellowknife Region. Expenditures for dependent children are, however, relatively high, which perhaps indicates a higher rate of desertion and illegitimacy in the Yellowknife Region than in the District as a whole.

TABLE 4

TERRITORIAL SOCIAL ASSISTANCE EXPENDITURE

Inuvik Region

October 1, 1962 to September 30, 1963

in Dollars

Month	Reasons		Other c	Total a,b,c	Economic d	Total a,b,c,d
	Health a	Dep. Child. b				
Oct.	\$ 720	\$ 659	\$ 48	\$ 1,427	\$ 787	\$ 2,214
Nov.	673	614	0	1,287	784	2,071
Dec.	829	644	0	1,473	663	2,136
Jan.	609	794	0	1,403	1,216	2,619
Feb.	758	802	0	1,560	755	2,315
Mar.	250	474	35	759	509	1,268
April	655	712	17	1,384	723	2,107
May	416	616	87	1,119	589	1,708
June	655	699	150	1,504	165	1,669
July	469	932	0	1,401	501	1,902
Aug.	698	626	0	1,324	694	2,018
Sept.	794	656	65	1,515	773	2,288
Total	\$7,526	\$8,228	\$ 402	\$16,156	\$ 8,159	\$24,315
Percentage	31.0%	33.7%	1.6%	66.3%	33.7%	100%

Inuvik Region

The Inuvik Region, as can be seen from Table 4, has a higher rate of social assistance expenditure for economic reasons than the Yellowknife Region, but lower than the Fort Smith Region. Conversely, the rate of expenditure for Health, Dependent Children and other reasons is higher than that of the Fort Smith Region, but lower than that of the Yellowknife Region.

Conclusions

Economic conditions account for over 50% of the Territorial Social Assistance expenditures in the Mackenzie District. In comparing the three Regions, it appears that economic conditions as measured by unemployment, are worse in the Fort Smith Region than in the other two. Efforts to reduce social assistance expenditures by stimulating and creating employment should therefore be concentrated in the Fort Smith Region. There is, of course, no reason to be complacent about economic conditions in the other two regions, for social assistance expenditures for economic reasons are not low, but merely not as high as in the Fort Smith Region.

Social assistance expenditures are, at best, a poor guide to economic conditions, for they give no indication of the number of persons who are employed. Unfortunately, the data which would make a more accurate and reliable analysis possible are not available. In the provinces, the Dominion Bureau of Statistics, the Department of Labour and the National Employment Service collect and analyze data on employment. Since this is not the case in the Mackenzie, it is not possible to compare the conclusions reached from analyzing social assistance expenditures with those reached from other studies.

April 29, 1964.