

**LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
10TH ASSEMBLY, 7TH SESSION**

TABLED DOCUMENT NO. 66-86(1)

TABLED ON JUNE 16, 1986

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Baffin Adult Educators

c/o the Adult Education Centre, Iqaluit-Frobisher Bay, NWT, X0A 0H0

10 June 1986

The Hon. Jake Epp
Minister of Health & Welfare
Government of Canada
Ottawa, Ontario

TABLED DOCUMENT NO. 66-86(1)
TABLED ON

The Hon. David Crombie
Minister of Indian & Northern Affairs
Government of Canada
Ottawa, Ontario

JUN 16 1986

Dear Sirs,

The Baffin Adult Educators society was formed to represent the concerns of its members as professionals outside of our roles as government employees. We are Inuit and Euro-Canadian community-based adult educators and home management educators in the Baffin Region of the Northwest Territories. We instruct programs, develop program content, work with outside instructors, and assist community groups (especially community education authorities) in meeting their objectives. Our programs respond to our community needs and include both specific job skills and 'quality of life' programs. In the course of our professional and social activities, BAE members often work closely with the old-age pensioners in our communities.

At our most recent conference we agreed to write you to express our concern over the lack of progress in improving the benefits received by pensioners in the Northwest Territories from the Canada Pension Plan, the Old Age Security pension and the Guaranteed Income Supplement, in the two and one-half years since the report of the Parliamentary Task Force on Pension Reform.

That Task Force chose to shelve the very serious concerns raised by a number of submissions from government and aboriginal organizations in the NWT and, in its own words, "look to the comprehensive settlement of aboriginal and treaty claims as the vehicle for resolving these problems".

We feel very strongly that the great majority of pensioners in the NWT should not be forced to exist in their current state of serious cash-poverty until the comprehensive settlement of aboriginal and treaty claims which they, like all Northerners, hope to see during their lifetimes.

Old age pensioners in the NWT are a small number of people whose unique historical conditions have allowed them to slip almost unnoticed through the usual safety nets. The richness of strong extended family ties does not and should not be expected to replace adequate pension incomes. The statistics which accompany our letter show how serious their cash-poverty is, and how unfair the pensioners' situation is when compared to the cost of living allowances paid by the federal and territorial governments to their direct employees, and also to social assistance recipients.

One problem area is that the majority of pensioners in the NWT are Inuit and Dene elders who hunted and trapped and/or maintained the family unit to before and after the extension of government to the North, and therefore made few or no contributions to the Canada Pension Plan. As a result, many receive the minimum possible benefits from the CPP despite a lifetime of hard work.

The solution to this problem is a formula which recognizes pension credits from more than merely financial avenues. As was mentioned by several submissions to the Task Force, the Government of Quebec's Cree Hunters and Trappers Income Security Programme is an example of how years spent working 'on the land' can be transferred to financial credits, resulting in a more equitable level of benefits from 'universal' social programs.

A second problem area is that the majority of pensioners in the NWT live in small, isolated communities where the cost of living as measured by the federal and territorial governments ranges up to 240% of the cost of living in the South.

Recognizing the expense of raising a family in these communities, the Government of Canada compensates its employees through carefully calculated 'Isolated Post Allowances' which take dependents into consideration, the Government of the Northwest Territories provides its direct employees with a 'Settlement Allowance' which does not take dependents into consideration, and the GNWT Department of Social Services takes the local cost of food into account when it provides social assistance payments. The rationale for cost of living compensation is best expressed by Clause 41.01 of the Collective Agreement between the Northwest Territories Public Service Association and the Commissioner of the NWT:

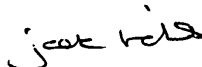
Salary rates are based on the economic conditions evident in Yellowknife. Regional differences in cost are offset by the provision of a Settlement Allowance. This allowance will permit the average employee residing in a settlement to maintain equal purchasing power with his counterpart in Yellowknife. This allowance is not an incentive to reside in the settlement, but is basically an equalizing type of subsidy.

There can be no justification for leaving pensioners as the only recipients of salaries or benefits from social programs without any adjustment for their reduced purchasing power. Pensioners should receive an adequate cost of living allowance which takes the number of dependents in a family into account.

It is both your government's obligation and opportunity to move quickly to remedy the two specific problem areas which we have brought to your attention with this letter, and thereby improve the standard of living of elders in the NWT.

Thank you for your attention and consideration.

Yours Truly,



Jack Hicks, Vice-President,
Baffin Adult Educators

PO Bag 400
Resolute Bay NWT X0A 0V0

telephone (819) 252-3851

Sources

Canada

Health and Welfare Canada, Income Security Programs Branch, Policy, Liason and Development Directorate, Programs Statistics Section. Income Security Programs Monthly Statistics. (for December 1985)

House of Commons. Report of the Parliamentary Task Force on Pension Reform.

Statistics Canada. 1981 Census of Canada: Selected Social and Economic Characteristics- Northwest Territories.

Statistics Canada, Health Division, Social Security Section. Social Security National Programs, Volume 3: Canada and Quebec Pension Plans, 1984. (most recent edition)

Statistics Canada, Health Division, Social Security Section. Social Security National Programs, Volume 5: Old Age Security, Guaranteed Income Supplement and Spouse's Allowance, 1982. (most recent edition)

Statistics Canada, Prices Division. Living Cost Differentials, by Community: Northwest Territories, 1973-1984.

Northwest Territories

Bureau of Statistics. Food Price Survey 1985.

Bureau of Statistics. Labour Force Survey Preliminary Report: December 1984.

Bureau of Statistics. Personal Income Statistics 1976 to 1981.

Bureau of Statistics. Personal Income Statistics 1982-1983.

Bureau of Statistics. Statistics Quarterly (Vol. 1, No. 1 - Vol. 8, No.1)

Social Services. Social Assistance Program, April 1980 - March 1986.

Many Thanks to the Stats Can, Bureau of Statistics and Social Services employees who assisted with the collection and interpretation of data used in this presentation!

- c) Scheduled service 1 to 3 days per week 10
- d) Scheduled service more than 3 days per week 5
- Total points possible 30

Posts with All-Weather Road Access

	<u>Points</u>
a) Over 803 kilometres (499 miles) from a population centre of 15,000	15
b) 483 to 803 kilometres (300 to 499 miles) from a population centre of 15,000	10
c) 402 to 482 kilometres (250 to 299 miles) from a population centre of 15,000	5
d) less than 402 kilometres (250 miles) from a population centre of 15,000	0
Total points possible	15

The point values as determined by the above factors are totalled to calculate the appropriate Environment Allowance classification level as follows:

<u>Level of Post</u>	<u>Point Range</u>
1	145-210
2	110-144
3	75-109
4	60- 74
5	50- 59
Unqualified	Below 50

The dollar amounts of Environment Allowance are determined by referring the appropriate classification level of the post to Schedule B of the Isolated Posts Directive.

(B) Living Cost Differential:

Living Cost Differential may be authorized at certain isolated posts where abnormally high prices prevail for food, household operations, transportation, personal care, tobacco and alcoholic beverages. This allowance becomes effective when the price of these goods and services, as measured by Statistics Canada, reaches an index level of 115 or higher in relation to an index of 100 at the major source of supply to the isolated post.

Where Statistics Canada is unable to measure the index by reason of the lack of response by employees to mail survey questionnaires, the National Joint Council Committee on Isolated Posts may recommend the reduction or deletion of the Living Cost Differential.

The amount of allowance is related to the average Canadian family expenditures on the range of goods and services covered as reported by Statistics Canada from time to time.

The following table illustrates the Living Cost Differential Classification Level applicable to the various index differential ranges. A price index at any point within a given range is measured from the mid-point of that range.

<u>Price Index Differential Ranges</u>	<u>Post Classification</u>
190	A
180 - 189	B
170 - 179	C
160 - 169	D
150 - 159	E
140 - 149	F
130 - 139	G
115 - 129	H

The dollar amounts of Living Cost Differential are determined by referring the appropriate classification level of the post to Schedule C of the Isolated Posts Directive.

ISOLATED POSTS DIRECTIVE	T I T R E	Vol.	DIRECTIVE SUR LES POSTES ISOLES
ISOLATED POSTS DIRECTIVE, 1984		Chap.	DIRECTIVE SUR LES POSTES ISOLES (1984)

CRITERIA FOR DETERMINING LEVELS(A) Environment Allowance:

This allowance becomes payable when a post has satisfied those criteria governing its eligibility to be considered isolated under Section 44 of this Directive. Environment Allowance is assessed on population, climate, barren or taiga lands and access. Points are allocated for various degrees of these factors as shown below. Subject to subsection 16(2), the payment of this allowance is a basic prerequisite to all other provisions of the Isolated Posts Directive except the Special Location Allowance which is covered in Section (D) of this schedule.

(i) Population Factor

<u>Population</u>			<u>Points</u>
1	-	24	70
25	-	99	50
100	-	499	40
500	-	999	35
1,000	-	1,999	30
2,000	-	4,999	25
5,000	-	7,499	15
7,500	-	9,999	5

(ii) Climate Factor

Points
10 - 80

The features of this factor are the degree of windchill, the length of the period of darkness, annual precipitation and temperature variations. This factor is assessed from a map prepared by the Department of the Environment for this purpose.

(iii) Barren and Taiga Lands Factor Points

Barren Lands 30
Taiga Lands 15

Special recognition is given to locations in the Barren and Taiga Lands. This factor is assessed from a map prepared by Canadian Forestry Service, Environment Canada.

(iv) Access Factor

Accessibility criteria are applied in the assessment of locations. Recognition is applied in two situations: "posts with no all-weather road access" and "posts with all-weather road access". Points are awarded as follows:

Post with NO All-Weather Road
Access

Points

- a) No all-weather road 15
- b) No scheduled air or rail
passenger services 15

Table 5

Federal Government Isolated Posts Directive, 1984

("authorized by Treasury Board 800149 of 19 November 1985")

Environment Allowances

<u>Classification</u>	<u>Married</u>	<u>Single</u>
1	\$ 4664	\$ 2798
2	3347	2008
3	2439	1463
4	1625	975
5	1299	779

Living Cost Differentials

<u>Classification</u>	<u>Married</u>	<u>Single</u>
A	\$ 9192	\$ 5515
B	8141	4885
C	7091	4255
D	6040	3624
E	4990	2994
F	3939	2363
G	2889	1733
H	1576	946

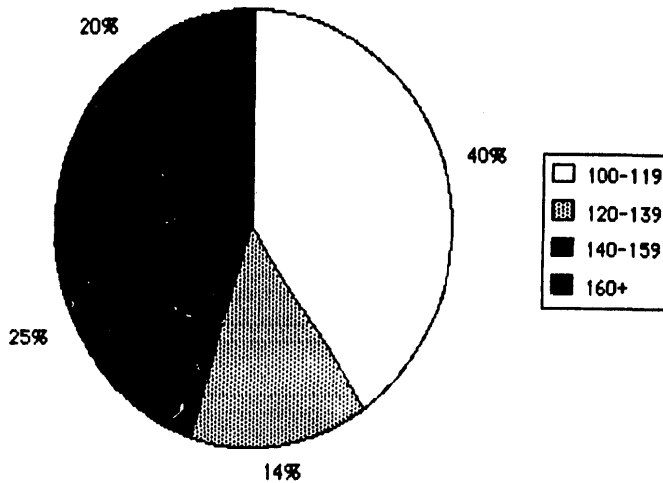
There is also a **Fuel & Utilities Differential**, with 'isolated posts' classified on a scale from 1 to 30. The allowances for married employees range from \$ 125 to \$7375, and for single employees from \$75 to \$4425.

NWT Communities by Classifications

<u>Community</u>	<u>Classifications</u>			<u>Community</u>	<u>Classifications</u>		
	<u>EA</u>	<u>LCD</u>	<u>F&U</u>		<u>EA</u>	<u>LCD</u>	<u>F&U</u>
Aklavik	2	D	24	Hall Beach	1	D	19
Arctic Bay	1	D	14	Hay River	4	H	19
Arctic Red River	2	F	30	Holman Island	1	A	30
Baker Lake	1	D	22	Igloodik	1	C	12
Broughton Island	1	D	14	Inuvik	2	F	23
Cambridge Bay	1	C	30	Lake Harbour	1	E	14
Cape Dorset	1	D	14	Norman Wells	2	D	8
Chesterfield Inlet	1	D	22	Pangnirtung	1	E	13
Clyde River	1	D	11	Paulatuk	1	A	30
Coppermine	1	C	30	Pelly Bay	1	A	-
Coral Harbour	1	C	20	Pine Point	3	H	16
Eskimo Point	2	F	20	Pond Inlet	1	C	13
Fort Franklin	2	C	28	Rae	3	G	23
Fort Good Hope	2	C	26	Rankin Inlet	2	E	21
Fort Liard	3	H	12	Repulse Bay	1	C	12
Fort McPherson	2	F	26	Resolute Bay	1	D	15
Fort Norman	2	C	24	Sachs Harbour	1	A	30
Fort Providence	3	G	18	Sarvikluqa	1	E	7
Fort Resolution	3	G	17	Snowdrift	2	D	25
Fort Simpson	3	G	19	Spence Bay	1	A	-
Fort Smith	3	H	17	Tuktoyaktuk	1	D	30
Frobisher Bay	2	E	10	Whale Cove	1	C	21
Gjoa Haven	1	A	-	Wrigley	2	E	23
Grise Fiord	1	A	14	Yellowknife	3	H	19

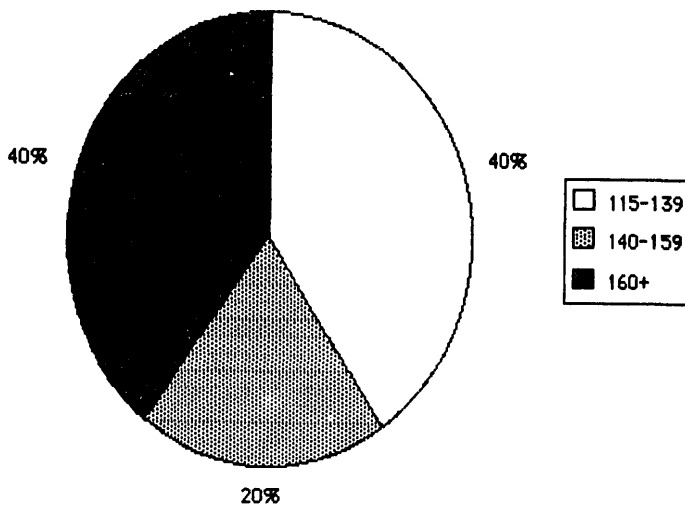
Graph 34

GIS Recipients by GNWT Food Price Index of Community of Residence, April 1986



Graph 35

GIS Recipients by Statistics Canada Living Cost Differential of Community of Residence, April 1986



Region/Community	Food Price Index ¹			SA Food All. ²	Liv. Cost Diff. ³	NWT PSA Sett. Allow. ⁴
	All Items	Dairy /Eggs	Veg.			
<u>Inuvik Region</u>						
Aklavik	147	142	167	125	160-169	3333
Arctic Red River	128	117	120	125	140-149	3333
Fort Franklin	149	132	181	135	170-179	3333
Fort Good Hope	145	132	181	125	170-179	3333
Fort McPherson	120	120	124	125	140-149	3333
Fort Norman	160	185	182	125	170-179	3333
Inuvik	129	140	146	125	140-149	2216
Norman Wells	160	185	182	125	160-169	2216
Paulatuk	163	183	133	155	*	4025
Sachs Harbour	183	194	196	155	190-199	4757
Tuktoyaktuk	125	126	119	125	160-169	3333
<u>Fort Smith Region</u>						
Fort Liard	111	104	110	110	115-129	0
Fort Providence	101	98	112	110	130-139	1108
Fort Resolution	103	95	103	110	115-129	1108
Fort Simpson	103	105	110	110	130-139	1108
Fort Smith	97	97	94	100	115-129	0
Hay River	96	102	83	100	115-129	0
Lac La Martre	*	*	*	135	*	3333
Pine Point	96	89	96	100	115-129	0
Rae-Edzo	106	99	111	110	130-139	1108
Snowdrift	169	178	232	135	160-169	3333
Wrigley	133	146	131	125	150-159	2216
<u>Yellowknife</u>	100	100	100	100	115-129	0

Notes: ¹ Data from the Food Price Survey conducted by the Bureau of Statistics, Government of the Northwest Territories, during the summer of 1985. Price differences between each community and Yellowknife are expressed as index numbers, where the index value for Yellowknife is set at 100. The most recent Spatial Price Index estimates the price of food in Yellowknife at 127.8 (and the overall cost of living index in Yellowknife at 135.6) where Edmonton equals 100.

² The GNWT Department of Social Services "adjusts the social assistance expenditures in the communities to the food scale level of Yellowknife" (Report on the Social Assistance Program). The allowances for food are expressed as index numbers, where the index value for Yellowknife is set at 100.

³ Living Cost Differentials compiled by Prices Division, Statistics Canada. Statistics are 1982 for Baffin (base city Montreal) and Keewatin (base city Winnipeg), and 1983 for Kitimeot, Inuvik, Fort Smith and Yellowknife (base city Edmonton).

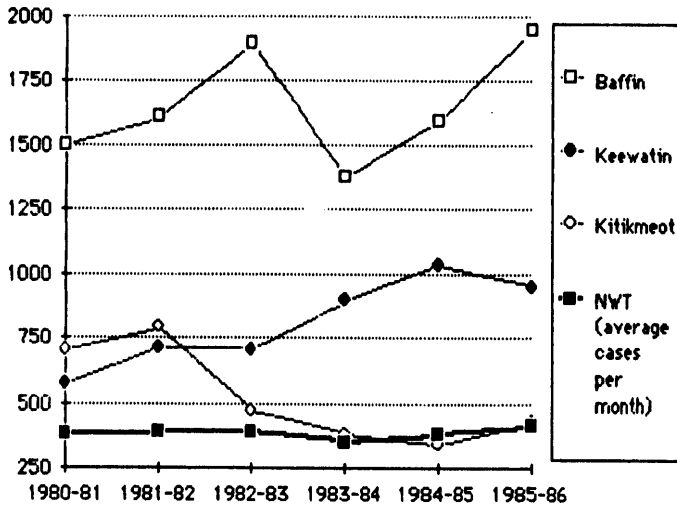
⁴ Settlement Allowance for employees of the Government of the Northwest Territories as specified in Clause 41.08 of the Collective Agreement Between the Northwest Territories Public Service Association and the Commissioner of the Northwest Territories (expires 31 March 1987).

Table 4

Selected Data on Food Prices, Costs-of-Living and Settlement Allowances, by Community

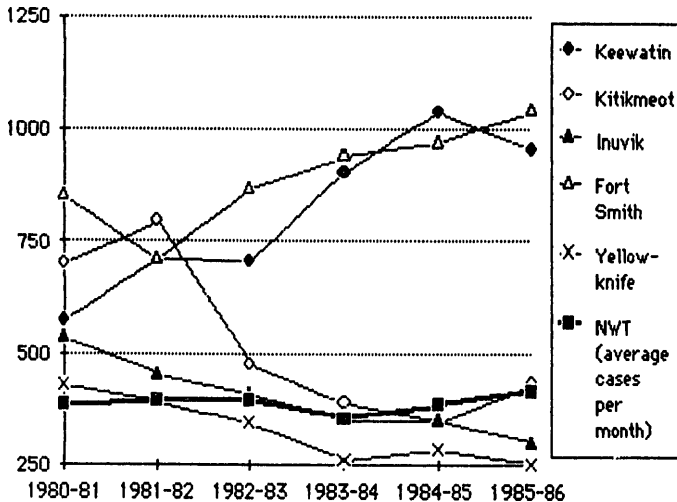
Region/Community	Food Price Index ¹			SA Food All. ²	Liv. Cost Diff. ³	NW1 PSA Sett. Allow. ⁴
	All Items	Dairy /Eggs	Veg.			
<u>Baffin Region</u>						
Arctic Bay	167	189	214	145	160-169	4025
Broughton Island	153	104	160	145	160-169	4757
Cape Dorset	167	180	193	145	160-169	4757
Clyde River	166	167	220	145	160-169	5488
Frobisher Bay	155	181	164	125	150-159	4025
Grise Fiord	175	285	190	155	190-199	6219
Hall Beach	147	186	180	135	160-169	4025
Iqloolik	166	177	175	145	170-179	4025
Lake Harbour	165	211	174	145	150-159	4757
Pangnirtung	166	190	195	145	150-159	4757
Pond Inlet	162	195	193	145	170-179	5488
Resolute Bay	163	196	163	145	160-169	4025
Sanikiluaq	152	156	177	155	150-159	4025
<u>Keewatin Region</u>						
Baker Lake	165	171	196	155	160-169	4025
Chesterfield Inlet	168	199	195	135	160-169	4025
Coral Harbour	180	220	192	145	170-179	4025
Eskimo Point	132	146	142	125	140-149	2216
Rankin Inlet	155	183	171	135	170-179	3333
Repulse Bay	183	226	223	145	170-179	4757
Whale Cove	162	161	188	145	170-179	3333
<u>Kitlmeot Region</u>						
Cambridge Bay	148	164	169	135	170-179	3333
Coppermine	146	183	142	135	170-179	3333
Gjoa Haven	201	249	226	145	210-219	4757
Holman Island	176	214	224	135	190-199	4757
Pelly Bay	200	248	236	155	230-239	6219
Spence Bay	203	327	202	145	220-229	4757

Social Assistance Cases in the 'Not Enough Income' Category, Eastern Arctic, Fiscal 1980-1985

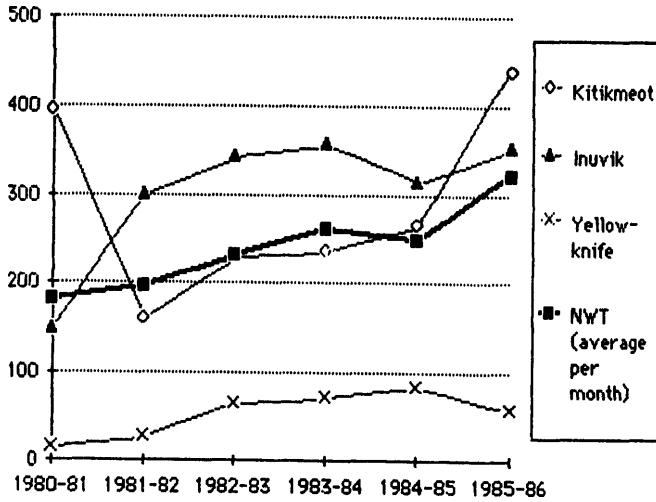
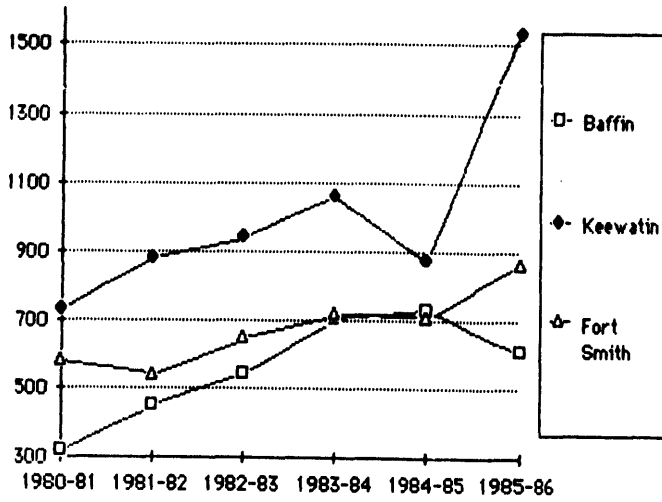


Graph 33

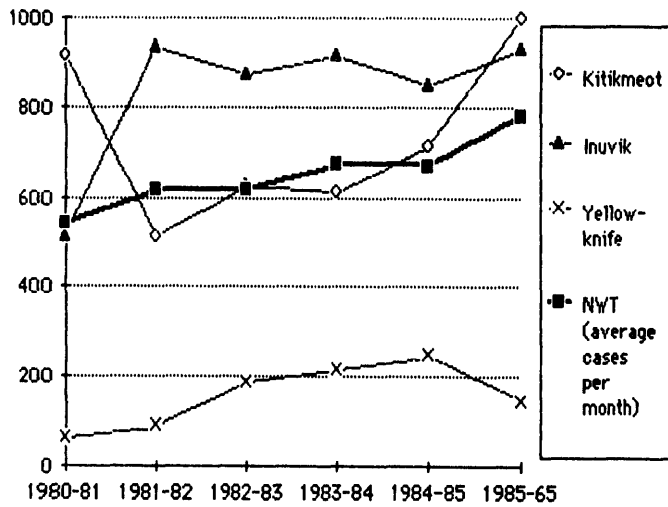
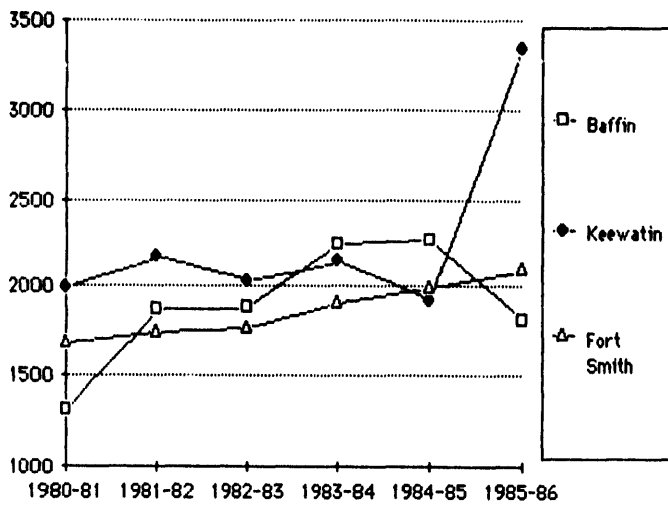
Social Assistance Cases in the 'Not Enough Income' Category, by Region (Except Baffin), Fiscal 1980-1985



Social Assistance Expenditures in the Category 'Unemployed but Able', by Region, Fiscal 1980-85, (\$ 000)

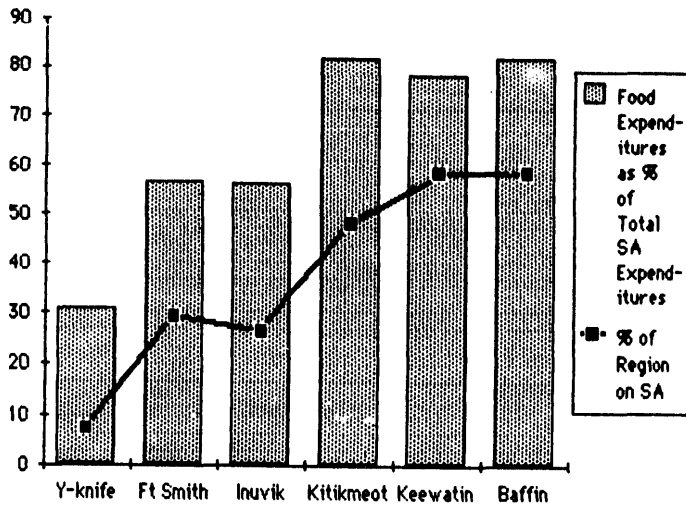


Social Assistance Cases in the 'Unemployed But Able' Category, by Region, Fiscal 1980-1985



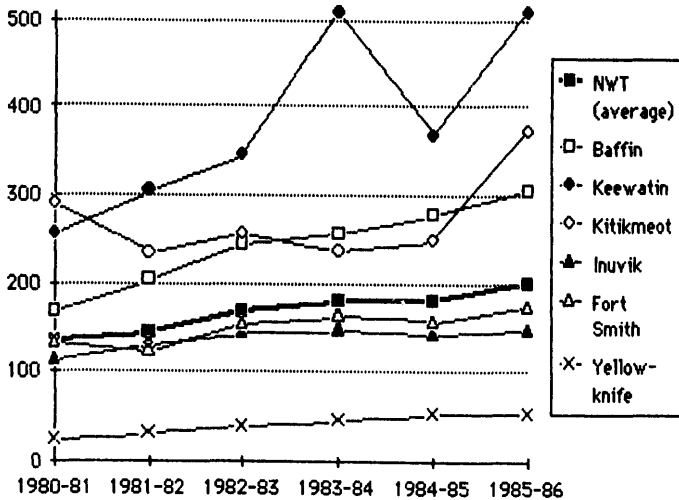
Graph 28

Food Purchases as a Percentage of Social Assistance Expenditure, and Percentage of Population (including dependents) on Social Assistance, by Region, 1984-85

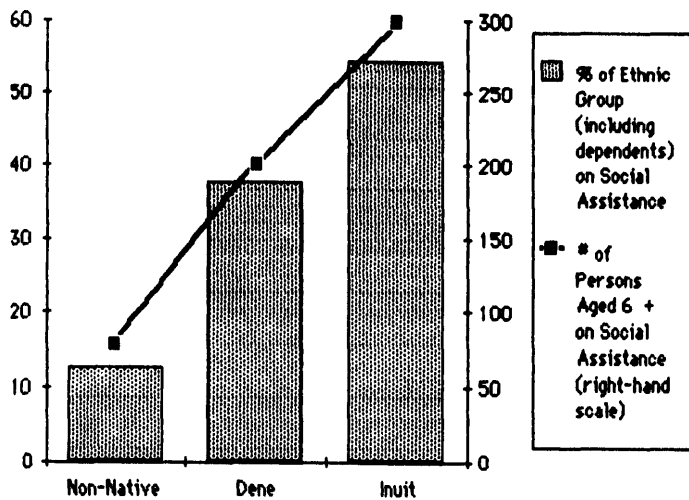


Graph 29

Social Assistance Expenditures Per Capita, by Region, 1980-86

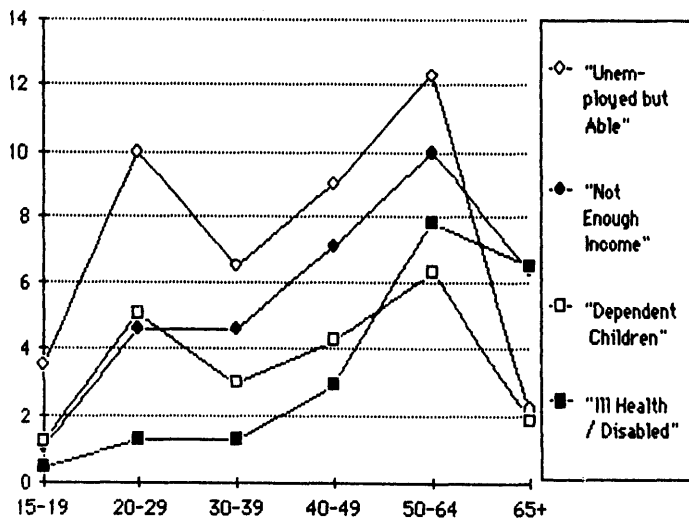


Percentage of Population (including dependents) and Number of Persons Aged 65+ on Social Assistance, by Ethnic Origin, 1985

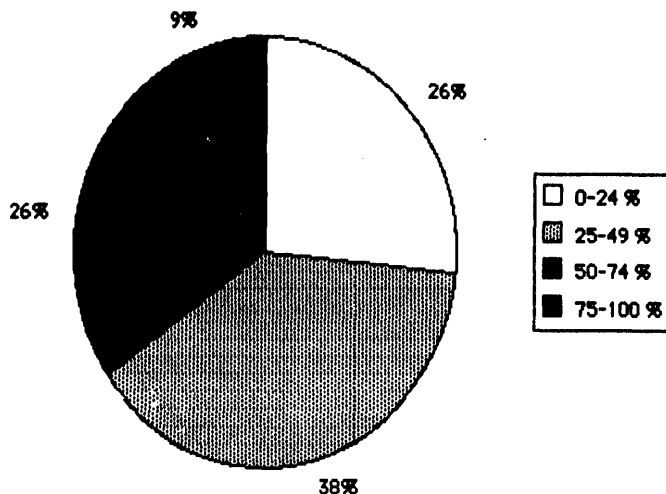


Graph 27

Social Assistance Recipients, by Category, as a Percentage of Age Group, 1985

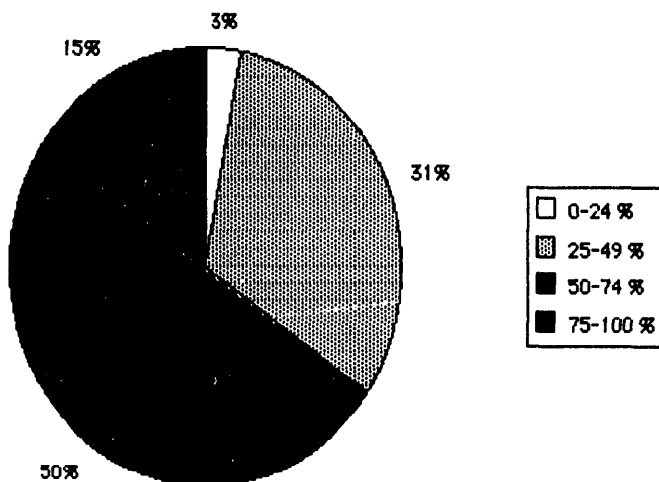


GIS Recipients by Percentage of Community (including dependents) of Residence on Social Assistance, 1985



Graph 25

GIS Recipients by Percentage of Social Assistance Spending in Community of Residence for Economic Reasons ("Unemployed but Able" and "Not Enough Income"), 1985



Region/Community	Trappers as % of Comm. ¹	Avg. Fur Inc. ²	Fur Inc. as % of Total ³	SA Inc. as % of Total ⁴	% of Comm. on SA ⁵	SA \$ for Econ. Reas. ⁶	Unemployment Rate ⁷	% of Adults Want Jobs ⁸
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Inuvik Region

Aklavik	19.6	202	4.9	4.1	34	40	41	49
Arctic Red River	18.4	331	*	*	31	20	*	17
Fort Franklin	10.5	355	8.4	14.7	39	70	24	25
Fort Good Hope	17.2	509	10.1	15.9	63	40	31	47
Fort McPherson	19.4	234	5.3	2.9	32	44	35	35
Fort Norman	11.6	112	4.1	2.6	30	23	6	25
Inuvik	3.8	57	.6	.8	17	53	12	16
Norman Wells	*	*	*	*	4	40	14	15
Paulatuk	14.2	127	*	*	30	45	25	53
Sachs Harbour	11.1	194	*	*	17	9	11	36
Tuktoyaktuk	6.4	88	1.4	2.4	29	43	40	53

Fort Smith Region

Fort Liard	13.5	269	8.1	1.6	16	28	15	36
Fort Providence	14.4	50	1.6	4.5	37	76	25	45
Fort Resolution ⁹	*	*	*	*	42	48	26	30
Fort Simpson	10.1	137	1.9	1.3	15	46	23	25
Fort Smith	3.5	18	.2	2.6	33	72	16	16
Hay River	1.3	6	.1	.3	8	56	25	25
Lac La Martre	15.4	123	*	*	94	63	53	71
Pine Point ⁹	*	*	*	*	*	59	11	16
Rae-Edzo	11.4	54	3.2	20.1	65	63	39	46
Snowdrift	20.4	158	*	*	91	54	54	55
Wrigley	31.1	397	*	*	25	40	4	47

<u>Yellowknife</u>	.7	7	.1	.3	7	51	5	8
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Notes: ¹ Total number of trappers/hunters divided by the total community population, 1983-84

² Total income from fur divided by the total community population, 1983-84

³ Income from fur as a percentage of the total community income, 1983-84

⁴ Social Assistance expenditures as a percentage of the total community income, 1983-84

⁵ Social Assistance recipients and their families as a percentage of the total community population, 1983-84

⁶ Percentage of total Social Assistance expenditures in the categories 'Unemployed but Able' and 'Not Enough Income', 1984-85

⁷ Percentage of the labour force which is unemployed" (based on the Statistics Canada definition of 'unemployed': not currently employed but had looked for work during the previous four weeks), GNWT Labour Force Survey, December 1984

⁸ Number of persons who want a job, but had not looked for work in the previous four weeks, divided by the total potential labour force (persons 15-64 years old). Of these people, 54% hadn't looked for work because "no jobs available", 32% because "working at home/homemaker", and 14% because "out on the land".

⁹ Statistics for Fort Resolution and Pine Point were combined

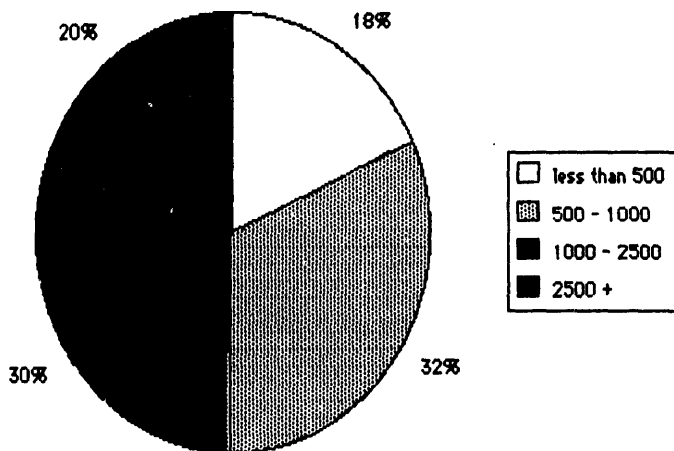
* Statistics unavailable

Table 3

Selected Socio-Economic Statistics, by Community

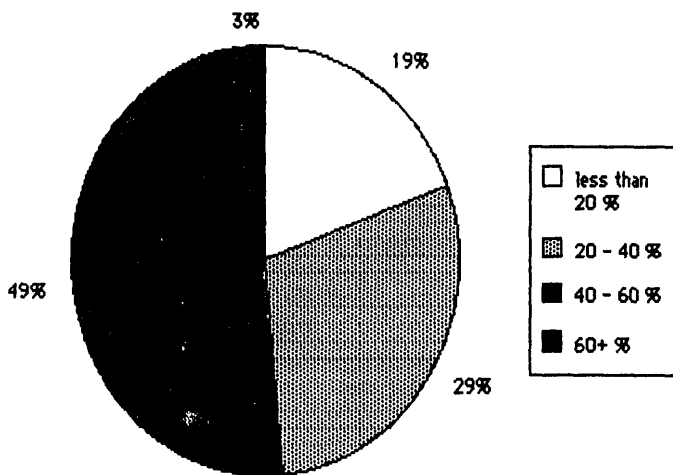
Region/Community	Trappers as % of Comm. ¹	Avg. Fur Inc. ²	Fur Inc. as % of Total ³	SA Inc. as % of Total ⁴	% of Comm. on SA ⁵	% of SA \$ for Econ. Reas. ⁶	Unemployment Rate ⁷	% of Adults Want Jobs ⁸
<u>Northwest Territories</u>	6.1	51	0.6	2.5	34	64	17	27
Baffin Region	7.0	22	0.3	4.6	58	65	21	38
Keewatin Region	6.6	30	0.7	10.2	58	85	26	42
Kitikmeot Region	12.2	93	1.0	5.0	48	57	19	37
Inuvik Region	8.9	130	1.7	2.2	26	47	19	27
Fort Smith Region	6.6	53	0.6	2.5	29	62	13	19
Yellowknife Area	0.7	7	0.1	0.4	7	51	5	8
<u>Baffin Region</u>								
Arctic Bay	7.5	32	*	*	45	71	22	35
Broughton Island	18.2	30	1.0	5.5	60	47	46	55
Cape Dorset	4.8	10	.3	11.2	80	82	25	41
Clyde River	12.8	62	2.3	13.0	73	85	14	48
Frobisher Bay	2.4	3	.1	2.5	40	64	16	26
Grise Fiord	10.5	22	*	*	60	38	5	24
Hall Beach	10.0	37	.6	5.5	91	69	34	59
Igloodik	9.0	37	1.2	11.8	78	79	30	46
Lake Harbour	12.3	31	1.0	6.5	55	79	23	44
Pangnirtung	15.1	45	1.2	8.9	67	57	24	47
Pond Inlet	4.4	62	.2	5.2	53	46	25	41
Resolute Bay	6.5	14	.1	.6	39	37	27	41
Sanikiluaq	6.3	57	*	*	91	44	21	55
<u>Keewatin Region</u>								
Baker Lake	5.9	21	.6	12.7	63	83	41	48
Chesterfield Inlet	5.9	44	*	*	46	96	21	41
Coral Harbour	14.9	124	3.0	13.9	71	83	38	65
Eskimo Point	6.2	22	.8	14.6	55	75	21	45
Rankin Inlet	1.8	4	.1	5.2	47	92	13	23
Repulse Bay	12.3	48	1.9	22.5	*	90	41	63
Whale Cove	3.3	24	*	*	56	86	29	41
<u>Kitikmeot Region</u>								
Cambridge Bay	7.5	59	.6	1.6	35	45	16	29
Coppemine	12.8	122	3.1	4.8	38	59	16	41
Gjoa Haven	11.2	53	2.1	14.9	72	67	26	41
Holman Island	18.9	178	6.6	3.2	21	43	26	33
Pelly Bay	11.3	84	2.8	6.9	42	54	22	39
Spence Bay	16.7	93	2.5	12.3	80	65	16	43

GIS Recipients by Size of Community of Residence, 1985



Graph 23

GIS Recipients by Percentage of Adults in Community of Residence who Want Jobs, December 1984



by adding this data on population breakdown by age and ethnic origin:

Age	Non-Native		Dene/Metis		Inuit		Total
	#	% on SA	#	% on SA	#	% on SA	
60-65	144	26	280	40	594	25	1018
65+	856	5	294	30	472	32	1622
-----	-----	-----	-----	-----	-----	-----	-----
Total 60+	1000		574		1066		2640

Region/Community	Total Pop.	Pop. over 60 yrs	Pop. Native	Pop. over 60 yrs Native
Pine Point	1956	35	271	4
Yellowknife	11211	429	1508	70
Hay River	3248	215	911	70
Inuvik	3767	98	1334	54
Fort Smith	2439	184	1167	83
Frobisher Bay	2739	82	1828	70
-----	-----	-----	-----	-----
sub-total of 6 comm	25360	1043	7019	351
other communities	26377	1507	22583	1289
-----	-----	-----	-----	-----
Total NWT	51637	2640	29602	1640

we can identify two groups of communities with quite different characteristics:

Region/Community	Pop. over 60 yrs	Total recip	% of comm over 60 yrs recip	% of comm over 60 yrs recip	% of comm over 60 yrs Native	% of comm over 60 yrs Native	% of comm over 60 yrs Native
Pine Point	35	6	17.1	.3	1.8	11.4	13.9
Yellowknife	429	95	22.1	.8	3.8	4.5	13.5
Hay River	215	65	30.2	2.0	6.6	7.7	28.0
Inuvik	98	31	31.6	.8	2.6	55.1	35.4
Fort Smith	184	73	39.7	3.0	.5	45.1	47.8
Frobisher Bay	82	27	32.9	1.0	3.0	85.4	66.7
-----	-----	-----	-----	-----	-----	-----	-----
sub-total of 6 comm	1043	297	28.5	1.2	4.1	33.7	26.6
other communities	1597	824	51.6	3.1	6.1	80.7	85.6
-----	-----	-----	-----	-----	-----	-----	-----
Total NWT	2640	1121	42.5	2.2	5.1	62.1	57.3

Region/Community	Pop ¹	Pop over 60 yrs	GIS ² recip	SPA ³ recip	Total recip	% of comm over 60 yrs	% of comm recip ⁴	% of comm over 60 yrs recip ⁵
<u>Inuvik Region</u>								
Aklavik	801	51	31	0	31	6.4	3.9	60.8
Arctic Red River	125	17	10	0	10	13.6	8.0	58.8
Fort Franklin	571	53	28	3	31	9.3	5.4	58.5
Fort Good Hope	524	53	43	4	47	10.1	9.0	88.7
Fort McPherson	689	43	44	2	46	6.7	6.7	100
Fort Norman	285	35	21	0	21	12.3	7.4	60.0
Inuvik	3767	98	30	1	31	2.6	0.8	31.6
Norman Wells	512	15	1	0	1	2.9	.2	6.7
Paulatuk ⁷	197	1?	1	0	1	.5?	.5	100?
Sachs Harbour	180	10	5	1	6	5.6	3.3	60.0
Tuktoyaktuk	895	59	27	2	29	6.6	3.2	49.2
<u>Fort Smith Region</u>								
Fort Liard	437	30	15	2	17	6.9	3.9	56.7
Fort Providence	663	48	28	4	32	7.2	4.8	66.7
Fort Resolution	499	66	28	2	30	13.2	6.0	45.5
Fort Simpson	1057	71	56	7	63	6.7	6.0	88.7
Fort Smith	2439	184	72	1	73	7.5	3.0	39.7
Hay River	3248	215	60	5	65	6.6	2.0	30.2
Lac La Martre ⁷	298	19?	19	0	19	6.4?	6.4	100?
Pine Point	1956	35	5	1	6	1.8	.3	17.1
Rae-Edzo	1547	137	84	8	92	8.9	5.9	67.2
Snowdrift	265	22	13	1	14	8.3	5.3	63.4
Wrigley ⁷	151	19?	18	1	19	12.6?	12.6	100?
<u>Yellowknife</u>	11211	429	86	9	95	3.8	.8	22.1

Notes: ¹ Projected populations for 1985

² Guaranteed Income Supplement recipients, April 1986

³ Spousal Allowance recipients, April 1986

⁴ Percentage of total community receiving either GIS or SPA

⁵ Percentage of community members aged 60 years or more receiving either GIS or SPA

⁶ Fort Smith Region population totals include the Kitikmeot communities
The 'total' figures for the Kitikmeot Region are the sums of the figures for the Kitikmeot communities as listed

⁷ No figures are available for the 60+ years populations of Paulatuk, Lac La Martre or Wrigley

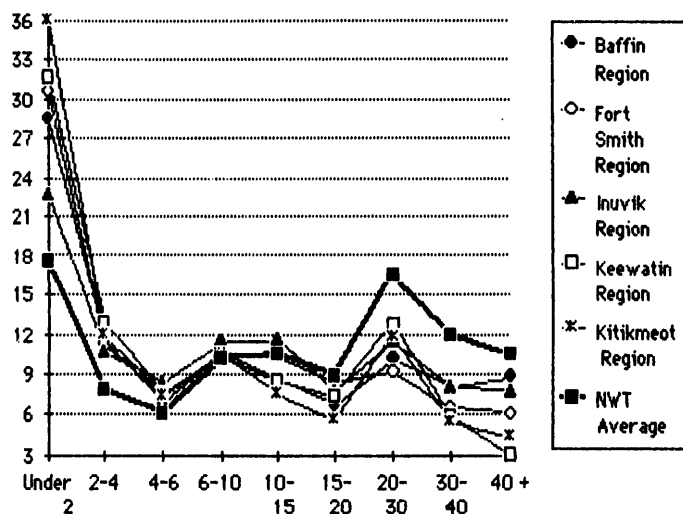
Table 2

Distribution of GIS and SPC Recipients, by Community

<u>Region/Community</u>	Pop ¹	Pop ¹ over 60 yrs	GIS ² recip	SPA ³ recip	Total recip	% of comm over 60 yrs	% of comm recip ⁴	% of comm over 60 yrs recip ⁵
<u>Northwest Territories</u>	51637	2640	1044	77	1121	5.1	2.2	42.5
Baffin Region	9425	344	146	14	160	3.6	1.7	46.5
Keewatin Region	4768	191	83	4	87	4.0	1.8	45.6
Kitikmeot Region ⁶	3588	199	88	5	93	5.5	2.6	46.7
Inuvik Region	8614	463	241	13	254	5.4	2.9	54.9
Fort Smith Region ⁶	13914	1640	486	37	523	11.8	3.8	31.9
Yellowknife Area	11211	429	86	9	95	3.8	.8	22.1
<u>Baffin Region</u>								
Arctic Bay	415	9	6	0	6	2.2	1.4	66.7
Broughton Island	447	19	10	2	12	4.3	2.7	63.2
Cape Dorset	879	37	18	3	21	4.2	2.4	56.8
Clyde River	514	14	10	0	10	2.7	1.9	71.4
Frobisher Bay	2739	82	25	2	27	3.0	1.0	32.9
Grise Flord	152	5	1	0	1	3.3	.7	20.0
Hall Beach	381	15	9	1	10	3.9	2.6	66.7
Igloolik	823	36	12	1	13	4.4	1.6	36.1
Lake Harbour	276	9	6	0	6	3.3	2.2	66.7
Pangnirtung	935	44	22	3	25	4.7	2.7	56.8
Pond Inlet	790	28	16	1	17	3.5	2.2	60.7
Resolute Bay	170	7	1	0	1	4.1	.6	14.3
Sarikituaq	430	26	10	1	11	6.0	2.6	42.3
<u>Keewatin Region</u>								
Baker Lake	1041	41	26	1	27	3.9	2.6	65.9
Chesterfield Inlet	239	12	9	0	9	5.0	3.8	75.0
Coral Harbour	444	15	6	0	6	3.4	1.4	40.0
Eskimo Point	1136	47	19	1	20	4.1	1.8	42.6
Rankin Inlet	1279	49	13	0	13	3.8	1.0	26.5
Repulse Bay	391	13	5	0	5	3.3	1.3	38.5
Whale Cove	210	16	5	2	7	7.6	3.3	43.8
<u>Kitikmeot Region</u>								
Cambridge Bay	924	40	11	0	11	4.3	1.2	27.5
Coppermine	925	63	37	2	39	6.8	4.2	61.9
Gjoa Haven	618	32	11	1	12	5.2	1.9	37.5
Holman Island	355	21	11	0	11	5.9	3.1	52.4
Pelly Bay	292	16	8	1	9	5.5	3.1	56.3
Spence Bay	474	27	10	1	11	5.7	2.3	40.7

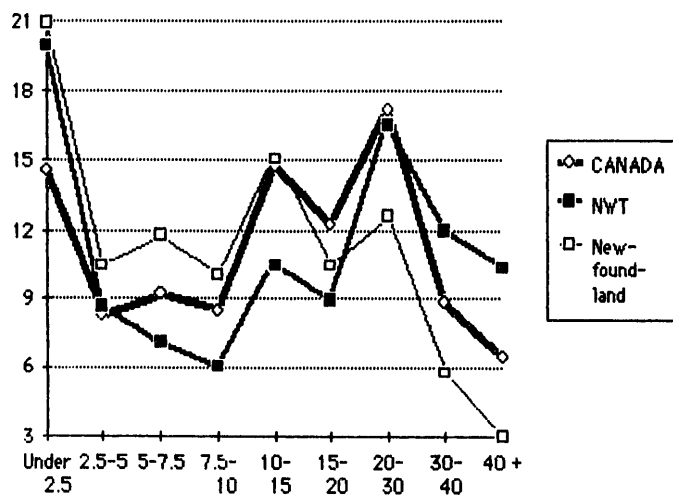
Graph 20

Personal Income Tax Returns by Income Range, Small NWT Communities by Region, 1983

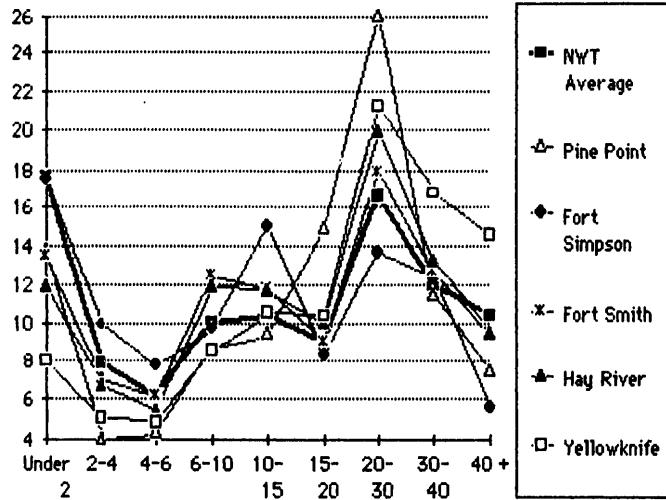
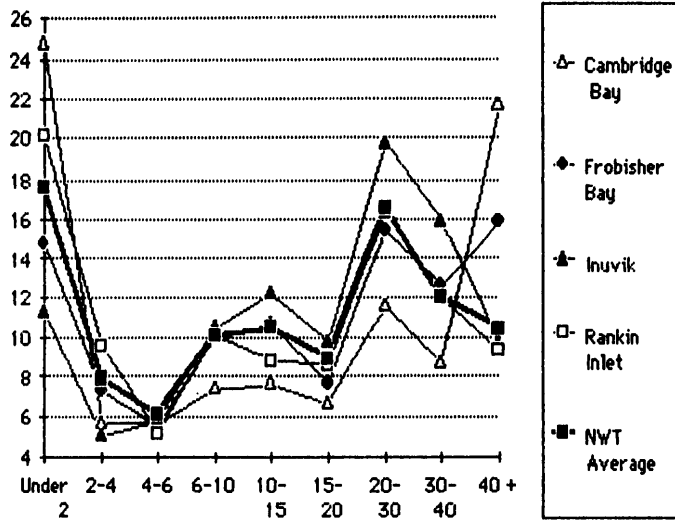


Graph 21

Personal Income Tax Returns by Income Range, 1983

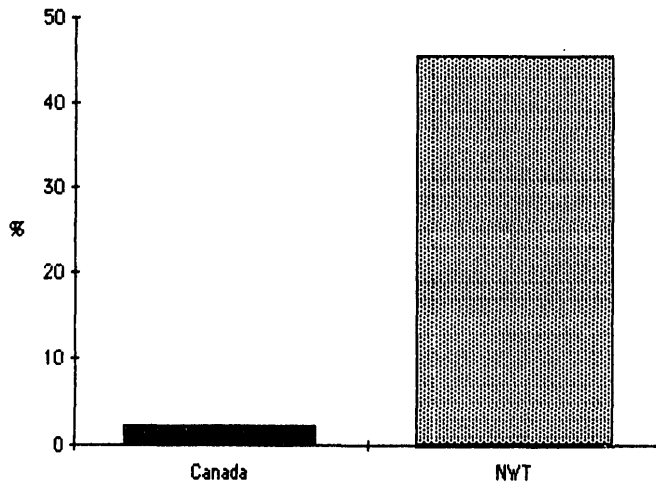


Personal Income Tax Returns by Income Range, Large NWT Communities, 1983



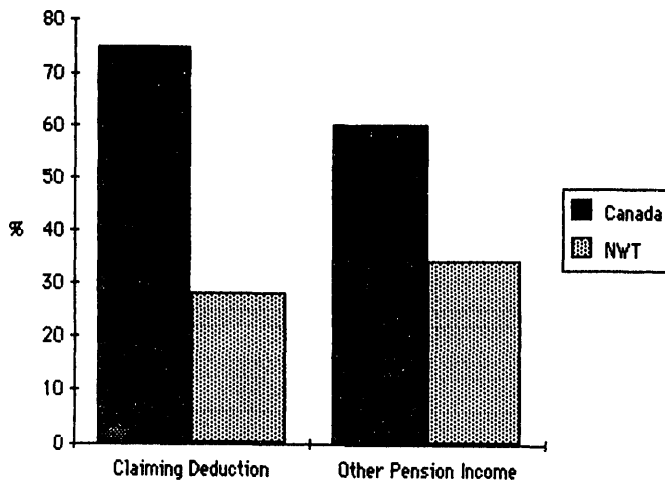
Graph 17

% of Pensioners who Claimed a Child Tax Credit on their 1983 Income Tax Return



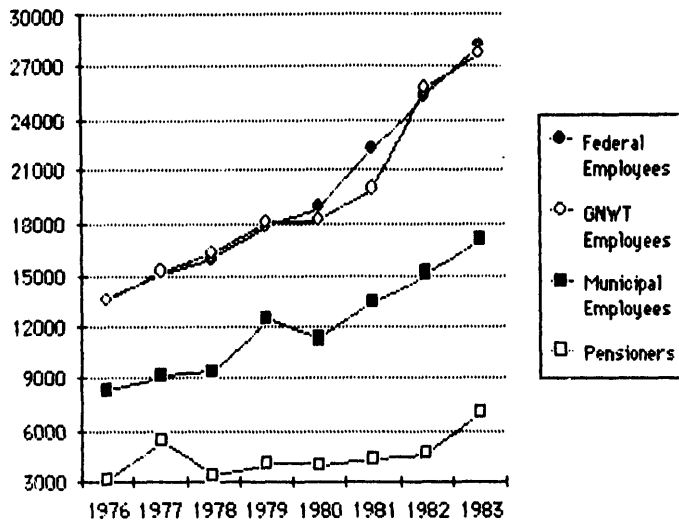
Graph 18

% of Pensioners who Claimed an 'Interest, Dividends and Capital Gains' Deduction or Declared 'Other Pensions or Superannuation' Income, 1983 Return



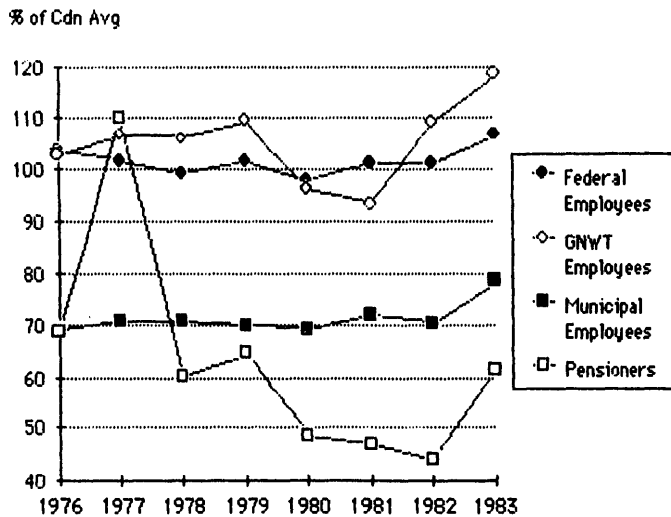
Graph 15

NWT Income by Occupation, 1976-83 Income Tax Returns



Graph 16

Income by Occupation, 1976-1983 Income Tax Returns, NWT as Percentage of Canadian Average



1983 Income Tax Comparison: Cige 65 and over

	Canada		NWT	
Total Returns	1503487		467	
Taxable Returns	790961		220	
% of Returns Taxable	52.6		47.1	
Item	% of Returns Claiming Item		Ava. Amount per Claim	
	Can	NWT	Can	NWT
<u>Sources of Income</u>				
Wages and Salaries	12.7	23.6	11058	15563
Family Allowance	1.1	35.5	417	548
Unemployment Insurance Benefits	3.2	8.1	1616	579
Old Age Security Pension	97.4	99.4	2910	2750
CPP or QPP Benefits	74.4	56.5	2496	2023
Other Pensions or Superannuation	44.6	25.7	5368	4300
Taxable Amount of Dividends	16.1	3.6	6951	3235
Bond Interest	34.2	*	2727	*
Bank Interest	84.5	33.6	4046	3012
Taxable Capital Gain	15.0	3.2	2731	3067
Total Income Assessed	99.9	100	16331	10424
<u>Personal Exemptions</u>				
Basic Personal Exemptions	99.9	100	3768	3771
Age Exemption	99.8	100	2359	2360
Wholly Dependant Children	1.9	35.3	1247	1715
Total Personal Exemptions	99.9	100	6466	6914
<u>Deductions</u>				
Registered Retirement Savings Plan	7.3	4.7	4252	1772
Interest, Dividends and Capital Gains Deduction	84.4	33.8	875	823
Pension Income Deduction	48.1	27.4	935	953
Total Deductions	99.9	100	2530	1171
Net Federal Tax Payable	50.8	34.3	2449	2025
Net Provincial/Terr. Tax Payable	42.0	47.1	1292	723
Total Net Tax Payable	52.6	47.1	3394	2195
Child Tax Credit	.3	31.0	453	448

* Less than 10 claims- data suppressed

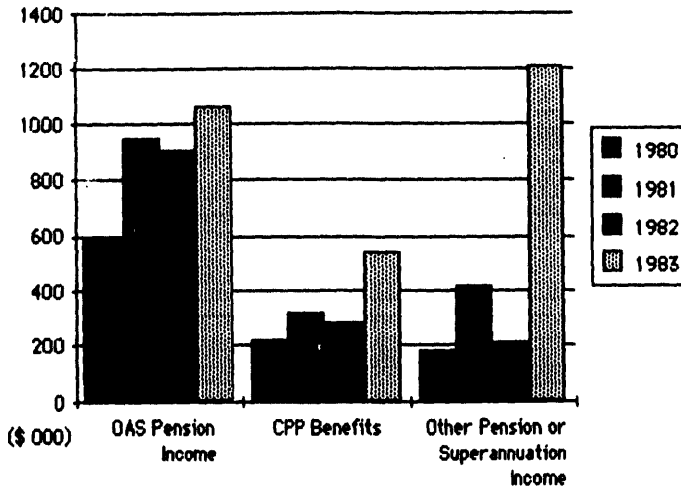
Table 1

1983 Income Tax Comparison: Pensioners

	Canada		NWT	
Total Returns	1143411		477	
Taxable Returns	486859		124	
% of Returns Taxable	42.6		26.0	
Item	<u>% of Returns Claiming Item</u>		<u>Avg. Amount per Claim</u>	
	Can	NWT	Can	NWT
<u>Sources of Income</u>				
Wages and Salaries	10.6	13.4	3195	1953
Family Allowance	3.8	45.7	491	656
Unemployment Insurance Benefits	4.6	3.8	3725	889
Old Age Security Pension	77.8	77.1	2975	2875
CPP or QPP Benefits	77.7	59.8	2750	1805
Other Pensions or Superannuation	59.9	34.0	6766	7469
Taxable Amount of Dividends	8.2	*	1263	*
Bond Interest	23.0	*	1429	*
Bank Interest	75.1	27.7	1801	1394
Taxable Capital Gain	7.7	*	670	*
Total Income Assessed	99.9	100	11426	7023
<u>Personal Exemptions</u>				
Basic Personal Exemptions	99.9	100	3768	3769
Age Exemption	78.7	77.1	2359	2359
Wholly Dependant Children	4.0	41.1	1271	1765
Total Personal Exemptions	99.9	100	6144	6807
<u>Deductions</u>				
Registered Retirement Savings Plan	6.8	3.6	3583	1000
Interest, Dividends and Capital Gains Deduction	74.7	27.9	804	850
Pension Income Deduction	58.5	34.0	964	1000
Total Deductions	99.9	100	2097	847
Net Federal Tax Payable	38.9	18.0	1374	1837
Net Provincial/Terr. Tax Payable	31.9	26.0	755	629
Total Net Tax Payable	40.8	26.0	1903	1903
Child Tax Credit	2.1	45.1	517	591

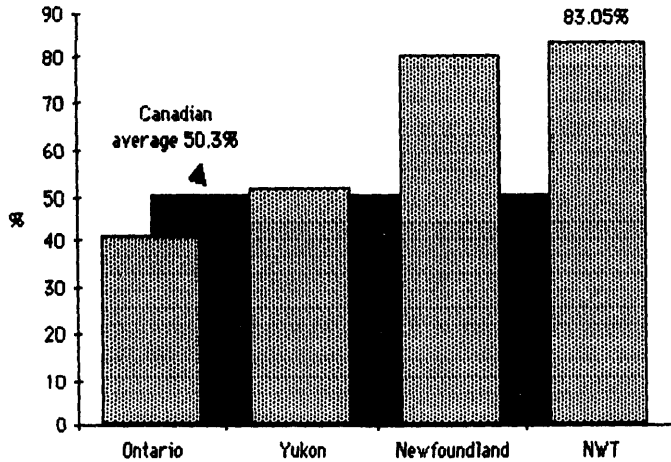
* Less than 10 claims- data suppressed

Pension Income by Source, NWT Pensioners, 1980-83

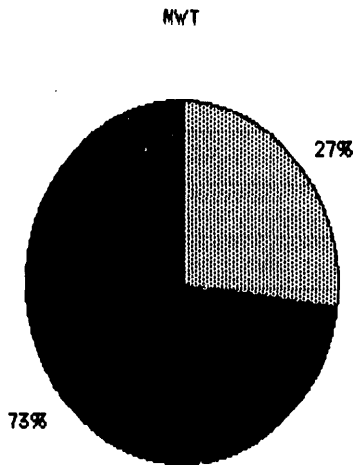
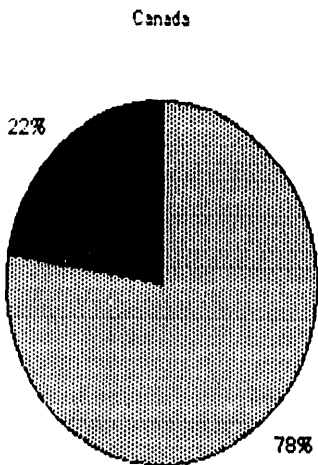


Graph 14

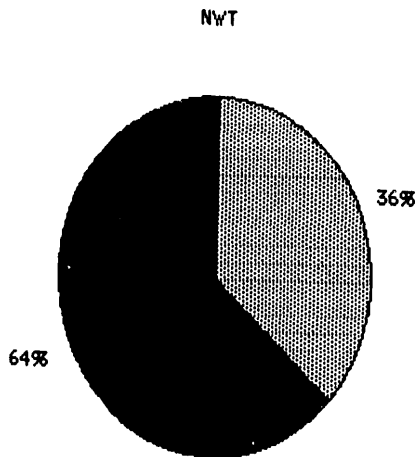
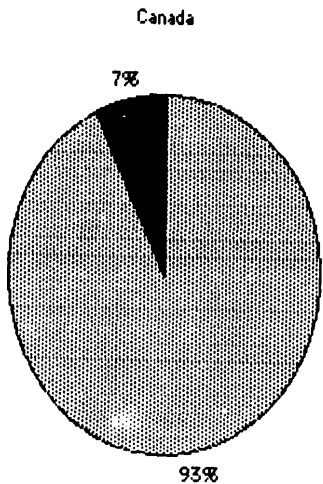
GIS Payments as a Percentage of OGIS Payments, December 1985



Recipients of Partial and Full Guaranteed Income Supplement Benefits, December 1985

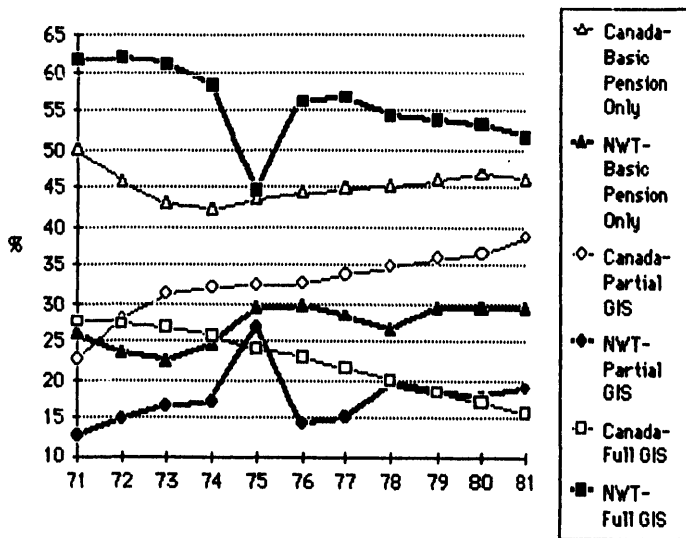


Recipients of Partial and Full Spouse's Allowance, December 1985



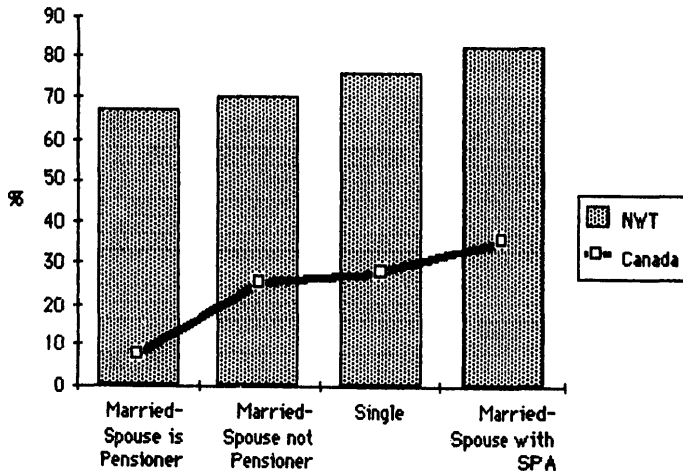
Graph 9

OAS Pensioners by Type of Benefit, 1971-81



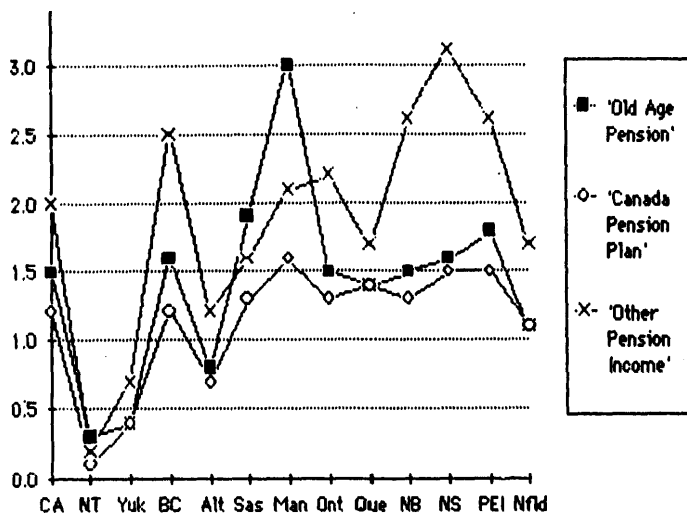
Graph 10

Recipients of Maximum GIS Benefits, by Marital Status, as % of Total GIS Recipients, December 1985



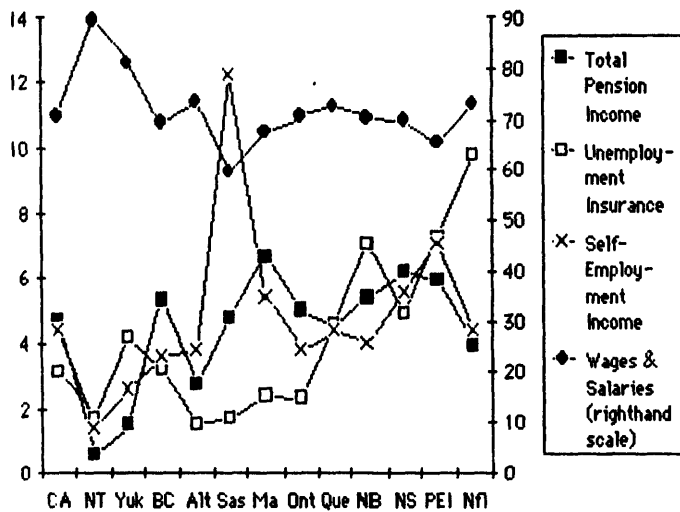
Graph 7

Pension Income as Percentage of Total Income, 1982



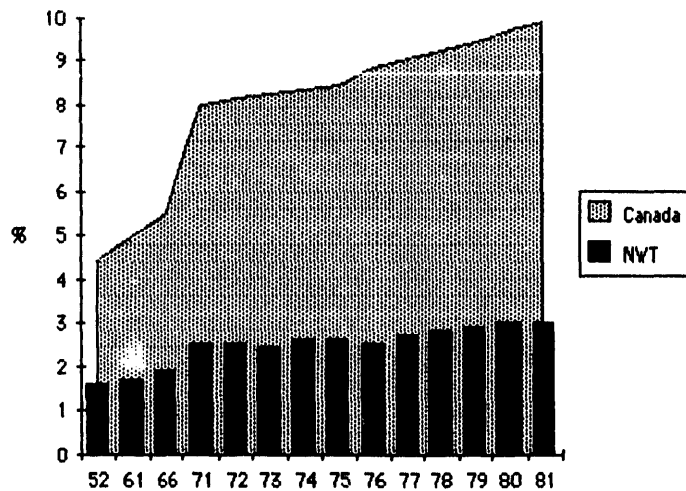
Graph 8

Sources of Income as a Percentage of Total Income, 1982



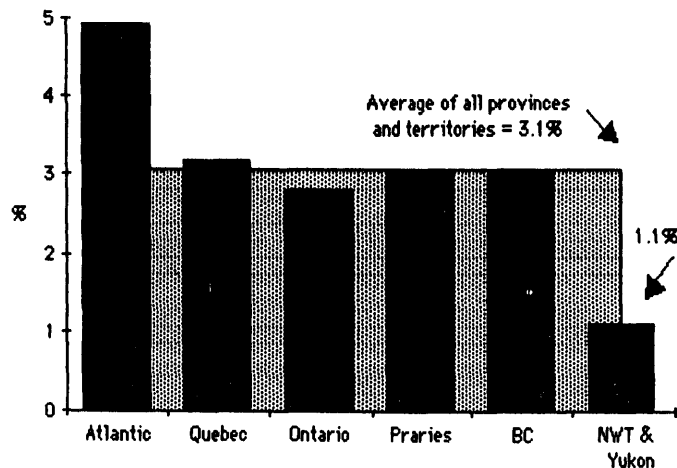
Graph 5

OCS Recipients as a Percentage of Total Population

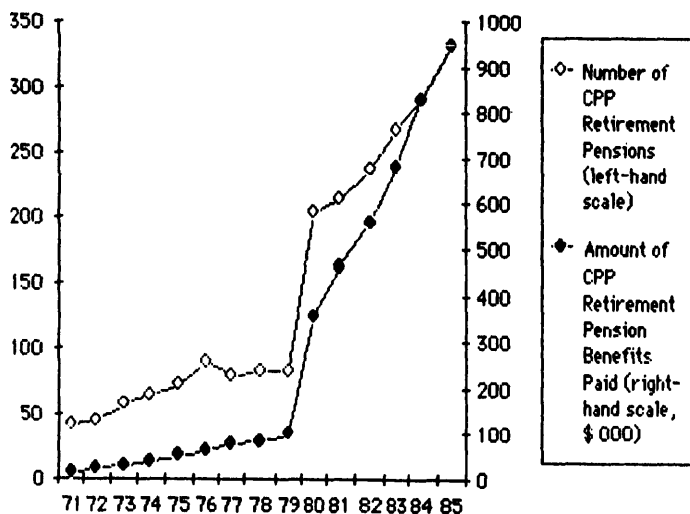


Graph 6

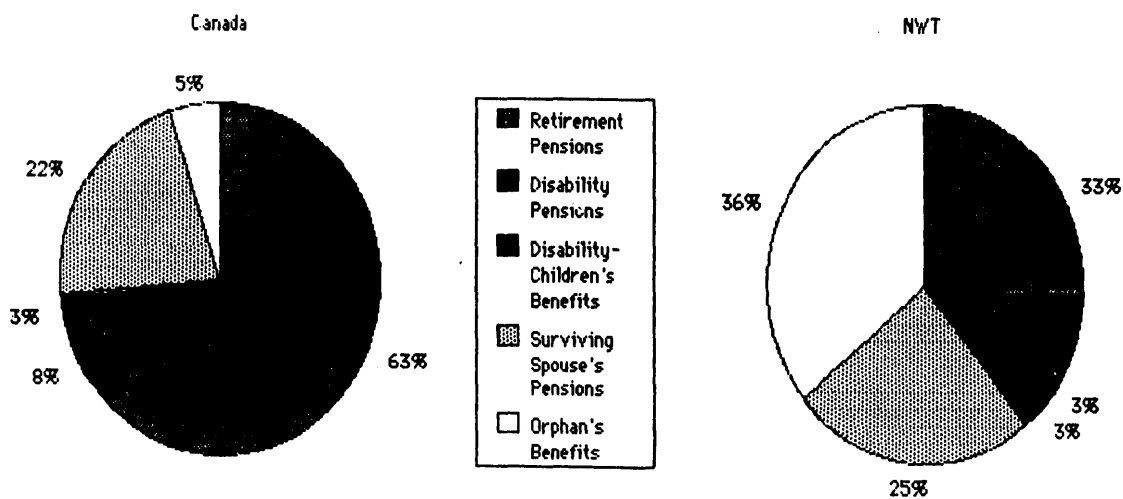
OCS Payments as Percentage of Personal Income, 1981



CPP Retirement Pension Recipients and Benefits, NWT 1971-1985



Canada Pension Plan Benefits, by Type, December 1985



We have not dealt with these questions within the strict limit of modifications to the C/QPP, but rather look to the comprehensive settlement of aboriginal and treaty claims as the vehicle for resolving these problems.

Report of the Parliamentary Task Force
on Pension Reform
December 1983

...the whole pension plan should be increased... we have to think about the hunters that are not working. Because gas today, five gallons is over \$14. I do not know how we are going to keep on going hunting. Maybe we will go back to our way using kayaks.

Elijah Erkloo, MLA for Amittuq
In the Legislative Assembly of the NWT,
February 1984

The Northwest Territories has to bring this up to the Minister of Health in the federal government.

Tagak Curley, Minister of Economic
Development and Tourism,
In the Legislative Assembly of the NWT,
February 1984

...the territorial supplement that is provided by our government to senior citizens who receive GIS... was increased from \$75 to \$85 as of February, 1985. There is no intention to make any increases in this at this time. Members should be aware that the GIS and the old age pension, that are the most important and significant parts of what elderly citizens receive, are indexed still and the GIS, which is given only to those senior citizens that require it, increases on a steady basis. Really what was \$50, then changed to \$75, and is now \$85, is the cushion that we have put in place to recognize that northerners have a higher cost of living. But it is felt that the fact that the GIS goes up, covers off fairly adequately the inflation aspect of the cost of living, and our supplementary increase provides the extra cushion and at this time it is deemed to be adequate.

Bruce McLaughlin, Minister of Health
and Social Services,
In the Legislative Assembly of the NWT,
March 1986

Tinkering with the present patch-work system will never produce the realization of all three objectives of adequacy, fairness and protection against precipitous decline in living standards. What is required is a complete restructuring and integration of the system... Such a plan would certainly result in a sizeable increase in costs, but only to the point where Canada would be devoting about the same percentage of its GNP to pensions as several European countries are presently. It is not a question of whether we can afford a fully adequate pension system, but whether our political system, weighted as it is in favour of higher-income groups, will tolerate the vertical equity that such a system requires.

Kenneth Bryden, Professor Emeritus of
Political Science, University of Toronto;
and author of Old Age Pensions and
Policy-Making in Canada

Many of our northern native women are productive in arts and crafts. They make anything from moccasins to intricate beadwork and sell their goods. Female pensioners who produce crafts are required to declare the income from the sale of these crafts and the amount of GIS is reduced by \$1.00 for every full \$2.00 of additional monthly income received, averaged over the calendar year. Although I can appreciate why the amount is deducted I do not see the need to do so.

Dennis Patterson, then Minister
Responsible for Status of Women,
submission to the Parliamentary Task
Force on Pension Reform,
September 1983

It is of critical importance that we recognize the substantially higher living costs that the elderly must face in the Northwest Territories... This Government ... would endorse a pension system that provides suitably higher levels of means-tested income supplements to those who face higher living costs. It should not be the sole responsibility of the Government of the Northwest Territories to compensate for these higher costs...

Many of the native people in the Northwest Territories are engaged in the primary sector, as hunters, trappers and fishermen. These people are typically employed in the wage economy, but rely on these earnings to finance their activity as hunters, trappers and fishermen. Much of their employment is part-time, or seasonal or temporary, and is typically not covered by a private pension plan. These are the people who continue to stay in the Northwest Territories after they have reached the point of being "elderly".

As we have said, the goal of a nation's retirement income programme should be to break this pattern of need, and allow individuals to earn retirement credits. We already know that less than 5% of those who hunt and trap in the Northwest Territories earned over \$5,000 per year from hunting and trapping. We know that over 70% of them made less than \$1,000 per year from fur.

This is not the forum for discussing the adequacy of this income during one's working life, but one item is clear. There is no earnings-related vehicle at present -not Canada Pension Plan, and certainly not private pension plans- that can allow these people to provide adequately for their retirement, based on their gainful employment in their working years.

This situation is radically different from many of the concerns that your Task Force will face from other so-called "interest groups". If there is a solution to this welfare-retirement trap, it must be a radically different solution, one that recognizes pension credits from more than merely financial avenues.

The situation is different, but it is not without precedent. We refer you to the Government of Quebec's Cree Hunters and Trappers Income Security Programme, for an example of how time spent on the land can be transferred to financial credits...

Tom Butters, Minister of Finance,
from the Government of the Northwest
Territories' submission to the
Parliamentary Task Force on
Pension Reform,
September 1983

Witnesses raised ... questions relating to the participation of native people in the C/QPP. The first concerned the predicament of elders who were the support of their communities in the traditional economy but who had no formal labour force attachment and no record of cash earnings. An earnings-related pension plan is evidently a poor vehicle for providing retirement income for people increasingly forced into the cash economy for support.

Selected Quotations

Dene elders' cash needs are only partially fulfilled by what amounts to a federally/territorially determined minimum wage for pensioners. The current federal/territorial pension system maintains the income of the native pensioners of the north at a level below the national poverty line- below in absolute terms and far below in terms of relative purchasing power...

A flight of less than 200 kilometers raises the price of bananas from 33¢ per pound in Yellowknife to 75¢ each in Snowdrift! If the typical pensioner in Snowdrift has an income roughly one half that of pensioners in the South, and if the prices he/she must pay for groceries are (at least) twice as high as in the South, can we not state with some certainty that the typical pensioner in Snowdrift has a 'real food purchasing power' one quarter that of his/her Southern counterparts? ...

Since the government recognized years ago that paycheques need indexing in order to maintain the basic food (and other) purchasing power of their employees, can anyone deny that pension cheques should be indexed to maintain the food purchasing power of old-age pensioners?

Dene Nation,
submission to the Parliamentary Task
Force on Pension Reform,
September 1983

NWT pensioners (should be) guaranteed an income at least equal to the poverty level established by the Canadian Council on Social Development and that they (should) not be penalized for any additional income they may earn up to the average industrial wage of Canadians for that year.

The Task Force on Pension Reform (should) investigate ways in which native women who have lived and worked traditionally outside of the paid work force can be given tax credit for all of that time at a rate equal to the average Canadian industrial wage for those years.

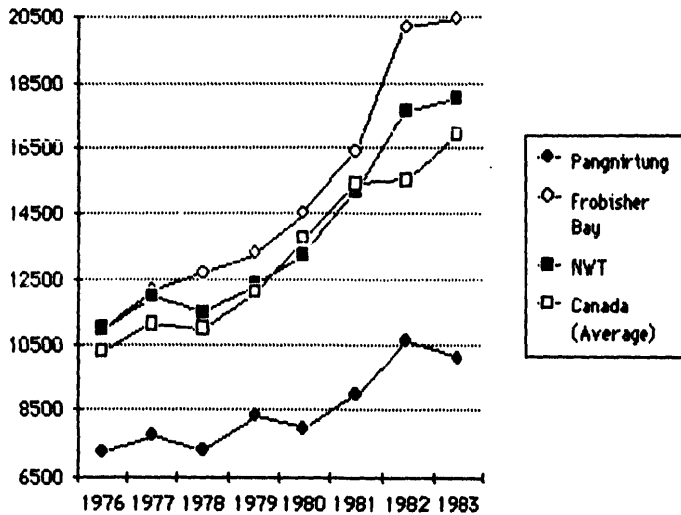
Further, we recommend that the native men also get tax credits for the years they supported their families off the land and that native women get a share of those credits upon the death of their husbands as is recommended for Canadian couples attached to the formal wage economy.

Native Women's Association of the NWT
submission to the Parliamentary Task
Force on Pension Reform,
September 1983

Today, with rapid economic development, northern communities are becoming more dependent on wage economies and less dependent on the traditional native life-style. Pensioners are faced with having to buy non-native foods at a supermarket and live in southern-type housing. The pensions provide these women with an income that is below the poverty line and is definitely different than their previous standard of living. It should be recognized that different does not mean worse. It is a change that creates a change in life-style and cannot be compared to a standard of living. The standard of living does not drop by monetary measures but does drop in the quality of food, clothing and shelter they were accustomed to. For example, instead of high quality meat they eat canned, processed and cheaper meat. Another illustrative example is clothing, instead of wearing warm moose hide or sealskin mukluks and kamiks and parkas they are forced to buy rubber boots and nylon parkas. Clearly, the physical comfort of these women pensioners declines tremendously upon retirement.

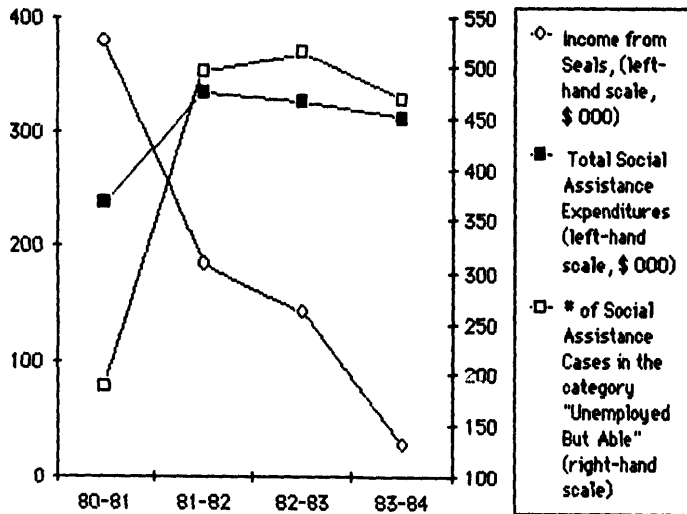
Graph 1

Pangnirtung in Perspective: Average Income, 1976-83



Graph 2

Seals and Social Assistance: Pangnirtung, 1980-1984



Do you think that pensioners in the North should get larger cheques if food costs more to buy up here?

I've been down South before, a few years ago. I realized that the prices down South are a lot cheaper than up here. I sold some carvings there and I was able to bring back a lot of things from there but I wouldn't have been able to get much food for the same carvings here. The prices here in the North are very expensive so I think pensioners in the North should get more than in the South because of the prices.

What would you think if the government increased your cheque to, say, \$1000?

That would make life a lot easier for me! There are several people in my family, and I am really not capable of going out hunting much. I am given some meat from younger people, but even a hundred dollars a month would help a lot with our groceries.

Did you follow the news from the South last summer about the government wanting to 'de-index' old-age pensions?

I didn't really understand, because I don't understand English. We understood that maybe it was going to be reduced, and that there was a group for older people in the South who asked the government not to do this. We talked about this, and we supported that group of pensioners down South.

Is there anything you would like to say about old-age pensions?

Any increase would really help. The older I get, the harder it is to go hunting and get meat. I can't really go hunting any distance for food now.. and I don't have much money to buy it.

Thank you, Simon.

You're welcome. Thank you.

Note: Like most pensioners in the North, Simon and his family live in house rented from the NWT Housing Corporation (through the Pangnirtung Housing Association) for the minimum allowable rent-\$32 per month, heat included. The Secretary-Manager of the Housing Association estimates that each unit costs the territorial government upwards of \$1000 per month.

Here are some food prices in Pangnirtung during the first week of June, 1986:

milk- Carnation (385 ml)	\$1.42	apples (3 lb bag)	5.90
Homogenized (1 litre)	3.41	oranges- small (ea)	.70
eggs (dozen)	3.45	medium (ea)	1.05
butter (pound)	3.20	large (ea)	1.55
white bread	2.82	potatoes (5 lb bag)	8.99
flour (10 lbs)	9.25	(10 lb bag)	14.91
		lettuce (kg)	5.62
rib eye steak (kg)	15.80	cabbage (kg)	4.68
pork chops (kg)	11.27	tomatoes (pkg 4 small)	2.89
chicken- whole (kg)	5.77	celery (kg)	5.13
legs (kg)	6.50		

Interview with a Pensioner in Pangnirtung, Baffin Island

Simon Shalmalyuk and his family live in Pangnirtung, an Inuit community of just over 1000 located on southern Baffin Island. This interview took place on 6 February 1986, with translation by Jonah Kilabuk.

Could you tell us about how you lived in the past?

I lived on the land, from the land, before a town existed here. We would live in one location for a while, then move to another location depending on where the animals were. Pangnirtung was established in 1922, and I first came here in 1923. I moved back out on the land again because I had a family to support, and they had to eat. I also needed food for my dogs.

I settled in town here in 1950, but then went back out for one more year. My wife and I both had TB, and we had to go to a sanatorium in the South. My wife at that time died from TB and other health problems. I remarried in 1962.

What do you do now?

We have a gathering place for older people here, and we all go there 3 times a week. Women sew, and make things with their hands. Men make harpoons, ulus (knives), and other things that Inuit use. There are different sizes- small, medium and large. We need money, so we sell these things. We get \$5 for ourselves. Most things are sold to people in town, but occasionally we sell things to tourists. Someone told us that our prices are too low, so we raised them a bit.

How many people are in your family, and how old are they?

There are six people in our house now. I will turn 71 in March, and my wife Sarah will turn 50 or 51 or 52. Jeannie is maybe 19, Martha 13, Judah 12, and Arne is probably around 10. 3 of my children have grown up and have their own families.

What do you think about old age pensions?

It really helps, I appreciate how much it helps. It has made things a lot easier for me. I was shocked when I first got it! It was for three thousand dollars, many cheques put together at first. That was six years ago, in 1979 or 1980.

Do you have enough money to live comfortably?

I made arrangements with the Bay, so if I don't have enough money they allow me to charge food until my next cheque comes. My last cheque was for six hundred and twenty-five dollars and a few cents, for one month. My family made a downpayment on a skidoo for me, because I live a long way from the store and I can't really carry things around now. I pay \$200 each month from my cheque, that is what I can afford.

Is your pension cheque the only income you have?

Yes, that is the only income I have. I don't ask my children for money although they help sometimes, they have their own families to support. The only other money we get is from family allowances, my wife is in charge of that. That's for groceries. We don't have a lot of money because I am the only one in the house getting a pension. Even if you have more than one or two people in your family you still get one pension.

Do your pension cheques get larger each month?

My pension cheque gets bigger, but not as much as prices get higher. I've really noticed that prices increase.

Table 5: gives the 'Environment Allowances', 'Living Cost Differentials' and 'Fuel & Utilities Differentials' paid to employees of the Government of Canada stationed in 'Isolated Posts', and also the criteria by which these 'Isolated Post Allowances' are calculated. Note that unlike the GNWT Settlement Allowance, federal ITAs take the additional cost of dependents at least partially into account.

AN EXAMPLE: What does all this mean for, say, a 64 year-old widow with one son in his early twenties still at home- primarily because he is unemployed and the local Housing Association requires that young would-be renters have a steady income. She likely has little or no income outside of the \$559 per month (\$6,708 per year) she receives from Health & Welfare Canada from her Extended Spouse's Allowance.

The maximum monthly Social Assistance benefits she would qualify for would be:

\$ 125	Aged & Handicapped Allowance
32	Rent (minimum social housing rent in the NWT)
30	Electricity (estimate)
20	Household Allowance
10	Personal Allowance (2 persons x \$5)

\$ 217	plus Food Allowance

If this person lived in, say, Yellowknife, her Food Allowance for two people would be \$193 per month, for a total income of \$410. This is considerably less than her Extended Spouse's Allowance, so she would not be eligible for Social Assistance.

If, however, this person lived in Pangnirtung, she would receive a 45% higher Food Allowance although overall food costs are calculated at 66% higher than Yellowknife (eggs & dairy products 90% higher, fresh vegetables 95% higher). This would mean a Food Allowance of \$280 for two people, for a total income of \$497. This is still less than her \$559 per month benefits, so she would still not be eligible for Social Assistance.

Note that her income from Health and Welfare Canada makes no allowance whatsoever for the increased cost of food in Pangnirtung compared to Yellowknife- or compared to a community in the South.

She lives in a community where there is less 'extra' meat available to give to needy elders because of community-wide economic pressure from the reduced income of hunters and trappers, the rising cost of hunting, high and at least semi-permanent unemployment, and the insufficient incomes received by many of those who do have work (see Graph 32). Pang is a culturally rich and vibrant but expensive place to be a senior citizen!

Careful research suggests that it would be quite difficult for a trained nutritionist to purchase the raw ingredients necessary for a simple but balanced and nutritious diet (as per the Canada Food Guide) at the price levels of Eastern Arctic communities on the incomes currently provided by CPP/OAS/GIS/Supplementary Benefit and/or Social Assistance. This does not take into account the cost of snacks, clothes, personal requirements, telephone bills, gasoline, bullets, etc.

The National Council on Welfare has noted that full indexing of benefits to the cost of living (inflation) has been "crucial" to "reducing the risk of poverty, particularly among the single aged (most of them women)". It should be clear by this point that indexation of benefits to reflect the cost of living in small communities in the NWT is crucial to reducing poverty among elders in the North. "No better example can be found of the power of public policy to reduce poverty." (NCW, 'Fighting Poverty', in The Other Macdonald Report: The Consensus on Canada's Future that the Macdonald Commission Left Out (1985).

Graph 25: shows that more than half of the GIS recipients in the NWT live in communities where more than half of all Social Assistance expenditures are for 'economic reasons' - 'Unemployed but Able' ("unemployed persons who have neither a job nor unemployment insurance") and 'Not Enough Income' ("people who do have jobs, but do not earn enough to provide for the basic necessities of food, clothing and accommodation. These people are known as the 'working poor'.").

Graph 26: shows that it is the Inuit who are most dependent on Social Assistance spending, more so than the Dene/Metis and far more so than the non-Native population of the NWT. Also, there are 300 Inuit elders aged 60+ receiving SA, 200 Dene/Metis elders and 75 elderly non-Native Northerners.

Graph 27: shows that it is the older-but-not-elderly population (aged 50-64 years) who are most dependent on Social Assistance, in every category including 'dependent children'. Clearly, many older people in the NWT have little steady income until they qualify for CPP, OAS, GIS and the Supplementary Benefit.

Graph 28: shows that it is the predominately Inuit regions which have the highest dependence on Social Assistance, and also the highest percentage of SA expenditures being spent on the purchase of food. In the Baffin, more than 80% of the population (including dependents) receives some Social Assistance expenditure at some point during the year, and more than 80% of this assistance is used to purchase food.

Graph 29: shows Social Assistance expenditures per capita, by region, for fiscal 1980-85. Total SA expenditures rose by more than 18% in fiscal 1985.

Graph 30: shows the number of cases in the category 'Unemployed but Able' ("unemployed persons who have neither a job nor unemployment insurance"), by region.

Graph 31: shows the expenditures in the category 'Unemployed but Able'.

Graphs 32 & 33: show the number of cases in the category 'Not Enough Income' ("people who do have jobs, but do not earn enough to provide for the basic necessities of food, clothing and accommodation. These people are known as the 'working poor'."), by region. Note that the Baffin Region has a very high and rising number of cases in this category.

Table 4: gives selected data on the GNWT Bureau of Statistics' food price indexes, the GNWT Department of Social Services' 'Food Allowances' used in calculating Social Assistance expenditures, the 'Living Cost Differentials' calculated by Statistics Canada, and the amount paid as 'Settlement Allowance' to each employee of the Government of the Northwest Territories, by community.

Graph 34: shows that 60% of the GIS recipients in the NWT live in communities where food costs at least 20% more than in Yellowknife (at least 50% more than in Montreal or Edmonton), 45% live in communities where food costs at least 40% more than Yellowknife (at least 80% more than the South), and 20% live in communities where food costs at least 60% more than Yellowknife (at least 105% more than the South), according to the GNWT Bureau of Statistics.

Graph 35: shows that 60% of the GIS recipients in the NWT live in communities where the overall cost of living is more than 40% higher than in Montreal or Edmonton, and that 40% live in communities where the overall cost of living is more than 60% higher than the South, according to Statistics Canada.

The average income of NWT pensioners with income from other pensions and superannuation is just above the national average for pensioners- while the average income of those without such income is less than 40% of the Canadian average, less than 40 cents on the dollar even before the higher cost of living in the North is taken into account. These figures do not include income from GIS or Supplemental Benefits.

Graphs 17 & 18: show that, as noted in Table 1, a smaller percentage of NWT pensioners who file income tax returns receive income from 'interest, dividends and capital gains' or 'other pensions or superannuation', but a much higher percentage have 'wholly dependent children' to support, and thus are eligible for a child tax credit.

Graphs 19 to 21: show the distribution of 1983 income tax returns by income range. The vertical scale is the percentage of returns in each income range, from 4% to 36%, and the horizontal scale is the income range being counted, from less than \$2,000 to more than \$40,000. Each large community has its own profile. The smaller communities, however, have proportionately more lower-income (less than \$6,000) returns and proportionately fewer higher-income (more than \$10,000) returns than the larger communities.

Comparing the overall distribution of income tax returns in the NWT to that of Newfoundland and Canada as a whole, it is interesting that where Newfoundland has a higher proportion of returns below \$10,000 and a lower proportion of returns above \$15,000, the NWT is higher than the national average on both ends- below \$5,000 and above \$ 20,000.

Table 2: shows the distribution of NWT Supplemental Benefit recipients by community. In the third page we can identify two groups of communities with regard to pensioners- 6 larger communities with a smaller proportion of older residents, a smaller proportion of pensioners 'passing' the means test required to obtain GIS and Supplemental Benefits, and a smaller proportion of Dene/Metis and/or Inuit residents, and other communities where 80% of the senior citizens are Native and more than half of them receive GIS and Supplemental Benefits. These are the smaller, predominately Native communities where 60% of the NWT's elderly and almost three quarters of the GIS recipients live.

Note also that the percentage of non-Native Northerners over 65 years receiving Social Assistance is less than a fifth of the non-Native population aged 60-64 years receiving SA, showing the impact of retirement pensions on income security. The same is true for Dene/Metis elders, but still almost a third of Dene/Metis OAS recipients receive Social Assistance. For Inuit elders, the percentage actually rises- there is heavier dependence on SA spending by Inuit over 65 years than by slightly younger Inuit, most of whom do not qualify for any old-age benefits.

Graph 22: shows that half of the GIS recipients in the NWT live in communities with less than 1000 inhabitants, and half live in larger communities.

Graph 23: shows that more than half of GIS recipients in the NWT live in communities where, according to the GNWT's December 1984 Labour Force Survey, more than 40% of persons aged 15-64 wanted jobs. (see Footnote 8, Table 3)

Table 3: gives selected socio-economic statistics for the communities in question. The data categories are explained in the footnotes.

Graph 24: shows that three-quarters of GIS recipients in the NWT live in communities where at least one-quarter of the community (including dependents) receives Social Assistance, and 35% live in communities with more than 50% SA dependence.

Graphs 5 & 6: show that there are proportionately fewer Old Age Security recipients in the NWT, and that OAS payments make up a proportionately smaller percentage of total personal income.

Graphs 7 & 8: show that pension income from all sources as a percentage of total income is the lowest in Canada. Unemployment Insurance benefits and Self-Employment Income are also the lowest in Canada. The percentage of total income which is received in direct Wages and Salaries, on the other hand, is the highest in Canada.

Graph 9: shows that in 1981 pensioners OAS/GIS recipients in Canada were receiving 'OAS only' / 'partial GIS' / 'full GIS' in a 45:40:15 ratio, while in the NWT the ratios were 30:20:50, indicating much higher need for additional cash income than in the South.

Graph 10: shows that in December 1985 a much higher percentage of GIS recipients received full GIS benefits than in the South, regardless of marital status. The range in the NWT was from 67.1% of recipients with spouse also a GIS recipient, to 82.5% of recipients with spouse receiving Spouse's Allowance (SPA). For Canadian pensioners as a whole, the range was from 7.4% to 35.7% for the same categories.

Graphs 11 & 12: show that a much higher percentage of all GIS and SPA recipients in the NWT receive full benefits than the Canadian average. The rate for GIS recipients is more than 3 times the national average, for SPA recipients 9 times higher.

Graph 13: shows that while income from (income tax returns) from OAS and CPP have risen gradually in the NWT over the last few years, from 1982 to 1983 there was an almost \$1 million increase in income from "other pensions or superannuation" (from \$ 212,000 to 1,210,000 - see also comments on Table 1). GIS benefits and territorial Supplemental Benefits are not taxable, and so do not appear on income tax returns.

Graph 14: shows that GIS payments are a larger source of income relative to OAS payments in NWT than anywhere else in Canada.

Table 1: shows data from the income tax returns of those who list their occupation as 'pensioner' (first page), and those over 65 years of age (second page). It is interesting to note that a much higher percentage of NWT pensioners filed income tax returns claimed 'family allowance' (12 times higher than the Canadian average), 'wholly dependent children' (10 times higher) and 'child tax credit' (22 times higher). On the other hand, 23% fewer NWT pensioners declared 'CPP/QPP benefits', 47% fewer declared 'other pensions or superannuation' or 'registered retirement savings plans', and 63% fewer declared 'bank interest' or 'interest, dividends and capital gains deductions'.

The disparities for the same claims and declarations for those 'aged 65 and over' are similar to those of 'pensioners', but the degree is moderated somewhat. It is interesting to note that 25.7% (120) of those filers aged 65 and over declared income from 'other pensions or superannuation' at an average of \$4300 each, while 34% (162) of all pensioners who filed did, at an average of \$7469 each.

Graph 15: shows that the average income of pensioners in the NWT rose more slowly from 1976 to 1983 than that of employees of federal, territorial or municipal governments.

Graph 16: shows that, as a percentage of the Canadian average for those occupations, pensioners fare the worst in the NWT. Only the extra million dollars of income from other pensions and superannuation lifted the 'average' NWT pensioner above 50 cents on the dollar compared to the Canadian average. In fact, there is no such thing as an 'average' NWT pensioner in this regard - there are those who receive income from other pensions and superannuation and those who do not.

The supporting documentation is organized as follows:

- A) Interview with a pensioner in Pangnirtung, Baffin Island;
- B) Selected quotations regarding pensioners in the NWT;
- C) Statistics regarding federal pension programs in the NWT;
- D) Statistics based on the income tax returns of pensioners;
- E) Statistics on the number and distribution of pensioners in the NWT;
- F) Statistics on socio-economic situations in NWT communities;
- G) Statistics on social assistance programs in the NWT;
- H) Statistics on the cost of living in NWT communities, social assistance food allowances, Statistics Canada 'Living Cost Differentials' and 'Settlement Allowances' paid to employees of the Government of the Northwest Territories;
- I) Statistics on the classification of NWT communities under the criteria for 'Isolated Post Allowances' paid to employees of the Government of Canada.

A) Interview with a pensioner in Pangnirtung, Baffin Island

The interview is self-explanatory.

Graph 1: shows that average personal income in Pangnirtung has increased at a slower rate than that of Frobisher Bay, the NWT or Canada as a whole.

Graph 2: shows that the rapid collapse of the international market for seal pelts may have contributed to a significant increase in dependence on social assistance in Pangnirtung. The implications for pensioners in the community go far beyond the obvious fact that buying, maintaining and operating snowmobiles requires considerable cash outlays (increasing capitalization of commodity production)- the decreased harvesting of seals for pelts (exchange value) implies a reduction of the surplus meat (use value) given by younger hunters to older people, forcing pensioners to rely more heavily on expensive store-bought meat.

As author Alan Herscovici noted in a recent letter to The Globe and Mail entitled 'The hunger up North': "I have just returned from a visit to Inuit sealing communities on Baffin Island, where I was able to see for myself the hardship caused by the recent collapse of the market for sealskins. Without money for pelts- which paid for skidoo oil and other equipment- many people can no longer afford to hunt food for their families. Store-bought food, meanwhile, is shockingly expensive: how about a cabbage for \$4? Or six potatoes for \$8?"

B) Selected quotations regarding pensioners in the NWT

This section is self-explanatory.

C) Statistics regarding federal pension programs in the NWT

Graph 3: shows that the number of retirement pension recipients under the Canada Pension Plan in the NWT was quite low until the switch from counting recipients by province/territory of residence rather than province/territory of application for benefits. According to Health & Welfare Canada, a number of pensioners resident in the NWT had made applications in Prince Rupert, BC.

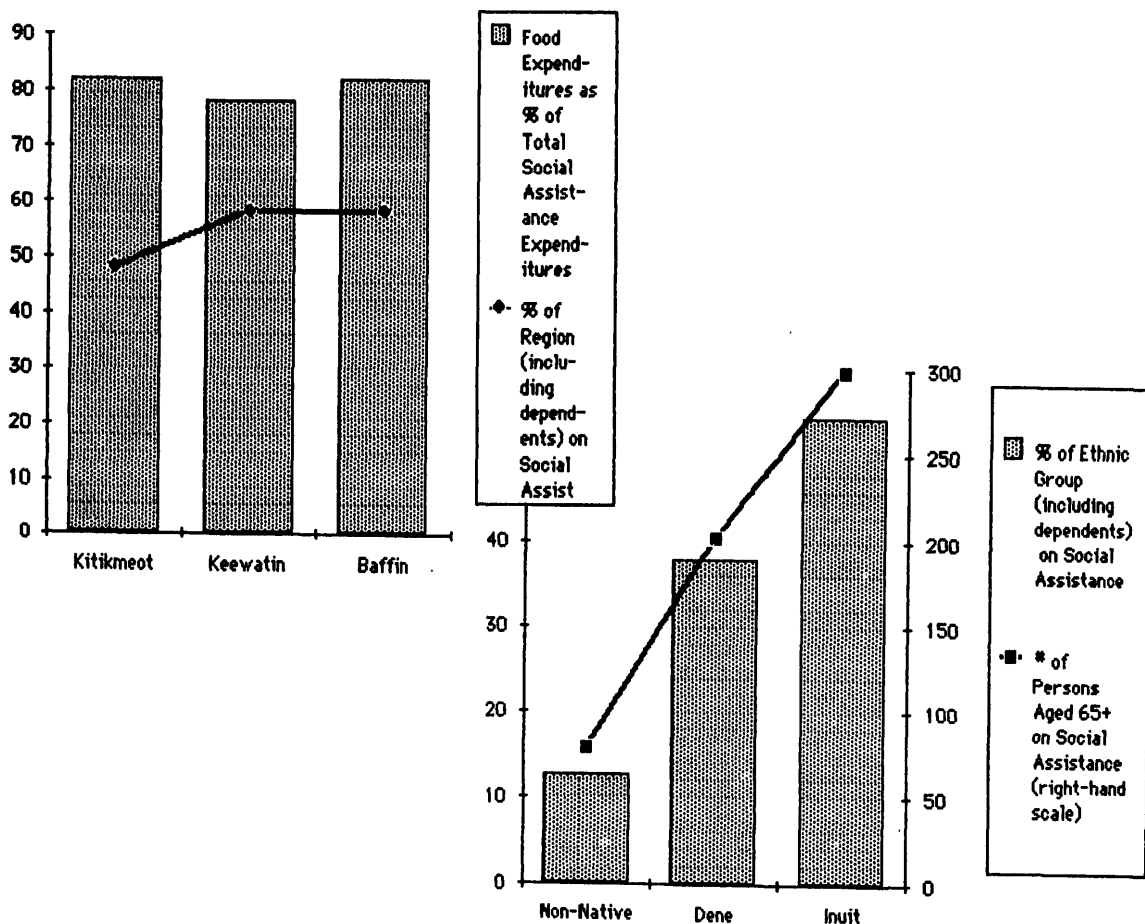
Graph 4: shows that there are proportionately fewer retirement pension recipients under the CPP in the NWT, and proportionately more orphan's benefits recipients.

Of 1622 people over age 65 in the Northwest Territories in December 1985, 1044 received an income level low enough to qualify them for the Guaranteed Income Supplement. The Government of the NWT also provides these individuals with a Supplementary Benefit of \$85 per month as a "cushion" against the cost of living in the Arctic. Only 341 received a retirement pension under the Canada Pension Plan in December 1985, at an average benefit of less than \$225.

The typical GIS recipient in the Northwest Territories is an Inuit or Dene elder living in a settlement of less than 1000 people with a considerable part of the community on Social Assistance "for economic reasons". The cost of food in his/her community averages 150% to 200% that of Montreal or Edmonton.

Only 162 pensioners in the NWT declared income from 'other pensions or super-annuation' in their 1983 income tax return. Their average income was slightly above the national average for pensioners. The other 315 pensioners who filed income tax returns (most of them to claim child tax credits) had an average income of \$4486, less than 40% of the national average for pensioners (not including GIS or provincial/territorial supplements). Most pensioners in the Northwest Territories don't bother to file an income tax return at all.

Supporting Documentation BAE Letter to Ministers Epp & Crombie



cc: BAE members
Baffin Divisional Board of Education
members of the Legislative Assembly
of the Northwest Territories
Inuit Tapiriit of Canada
Inuit Committee on National Issues
Baffin Region Inuit Association
Baffin Regional Council
Assembly of First Nations
Dene Nation
NWT Federation of Labour
NWT Public Service Association
NWT PSA, Locals 5 and 8 (Baffin Region)
Nunatsiag NDP
Nunatsiag Liberal Party
Nunatsiag PC Party
Western Arctic NDP
Western Arctic Liberal Party
Western Arctic PC Party
Thomas Suluk, MP
David Nickerson, MP
Jim Manly, NDP Indian & Northern Affairs critic
Neil Young, NDP Pension critic
Nelson Riis, NDP Fair Taxation Task Force
Keith Penner, Liberal Indian & Northern Affairs critic
National Pensioners and Senior Citizens' Federation
National Anti-Poverty Organization
National Council on Welfare
Canadian Council on Social Development
NWT Advisory Council on the Status of Women
Canadian Advisory Council on the Status of Women
National Action Committee on the Status of Women
Canadian Association in Support of Native People
Project North
CBC Baffin
Nunatsiag News
News/North
Yukon News
The Globe and Mail
Edmonton Journal

