

**Transcript - CBC Radio, Tuesday, February 16, 1993**

CBC Radio: Opposition is mounting to the Territorial Government's new staff housing policy. Teachers, nurses and other Government workers will be charged significant increases in their rent and utilities this year. The increases primarily affect employees in small communities where there is no private housing market. The Minister of Personnel, Stephen Kakfwi, joins us this morning to talk about his new policy.

Mr. Kakfwi, the policy was supposed to have taken effect April 1st. I understand now that it is being delayed until June 1st. Can you tell us why?

Mr. Kakfwi: Well, we've decided, in fact, to delay it until July for a number of reasons. Some of them are technical, but the main reasons that moved us to it is there's a group of employees out there - very well-educated people, teachers, nurses. They're all saying the same thing - that they don't understand, that the information is not getting through to them. The types of things that should be clear, are not clear. And, it's not a healthy situation and I think it's only rational to delay until we can get people to appreciate why we're doing it and the kind of way that we're going to implement it. Also, there's concern, for instance, with the nurses. We're sending out a letter to the nurses specifically saying we're going to deal with each one of them on an individual basis because their housing situation is so varied in the communities, that we just don't have any other choice.



CBC Radio: Well, that was a common complaint - the lack of information - we had a couple of teachers in here on Friday saying that they're afraid of the policy because it's fear of the unknown. They didn't know what really they were going to have to pay. Is that a legitimate complaint? What are you going to do to give more information about the policy?

Mr. Kakfwi: Well, we'll continue to take time to contact people, send them letters and make sure that the information gets to them. And that's been one of the problems that we've had. There's been a lot of weeding out of fact from fiction. There's people who are complaining about rental increases when, for instance, there's people that are making well in excess of \$50,000. a year who are paying less than \$300. a month and complaining about it. There's people who are living together, in staff housing, who are well in excess of \$100,000. who are paying very low rent and complaining about it anyway. There's people who don't even live in staff housing who are joining the crowd that's complaining about the rental increases.

CBC Radio: Some MLAs, including the Member from Iqaluit, Dennis Patterson, says your Government basically has botched this policy. He said it wasn't thought through properly in that you should take your time in explaining and implementing it. So, it sounds like, in essence, that's what you're doing.

Mr. Kakfwi: Well, that's what we're doing. There's nothing wrong with implementing a policy. You know, we have... our financial situation, where we are in a deficit situation, we don't have enough money to provide the kind of educational and community programs that we want, you know, because we have 1800 employees who are enjoying an allocation in spending of roughly, I'd say, well in excess of \$5 million.

I mean, if we implemented this policy as it was, we would save well in excess of \$5 million that we could spread out to 56 communities. That's been the intent. Nobody's going to argue with the fact that we're going to get out of staff housing. Nobody's arguing with the fact that we're going to raise the rents. The big issue is the speed and the rate at which we're implementing the policy and we're taking that seriously. From the beginning I've said quit your whining and complaining and come up with some good, rational arguments. Give us some issues. I think the employees have risen to the occasion and they've done very well.

CBC Radio: No doubt, this will be a hot topic in the Legislative Assembly that gets underway this week. If you find that a majority of MLAs come out against your plan, will you have to drop it?

Mr. Kakfwi: Well, I think they have to answer to the public. Like I say, it's a huge allocation of money for a very small portion of our population. And it has to end. Nobody disputes that. What we have is, in some cases, a lack of political will to face constituents and say, look, it's necessary and we have to do this. A good example is Mr. Patterson, who was a very strong supporter of this position when we first suggested it. He was a member of Cabinet. You know, he was saying, go out and get them, Steve. He flips out and lands on the other side and he's off running, full speed, saying that's a terrible thing to do and we should delay it. We should forget about it. So, it's politics at its worse, you know, in some cases.

CBC Radio: About the policy itself, are you worried you might lose the services of a lot of qualified teachers, nurses and other workers, including native northerners, as a result of the policy?

Mr. Kakfwi: Well, that's the threat, I think. It's the same thing that was said in Fort Smith and Yellowknife, Hay River, when we first introduced this strategy years ago, I mean, the fact is, the unions have to take into account that they shouldn't push for increases in benefits for the higher-ups on the salary scale. They have to focus on the teachers' assistants. Our policy will be oriented to offset the impact it has on the lower income people in any case. But, in the end, it's going to happen. The speed at which we do this, what we're finessing now, I think the public has well accepted. It is going to happen. We're going to get out of rental housing - staff housing, that is. We're going to raise the rents so that they're realistic and that they're on the same level as what other people pay in the private market in social housing.

CBC Radio: In the short term, you don't think you're going to lose a lot of teachers and nurses?

Mr. Kakfwi: I don't think so. We look at Alberta that has a very healthy economy. Considering the plight of other Governments across this country, they laid off well over a thousand employees two weeks ago. You look at Ontario who's saying we don't need any teachers. Nobody is moving.