



# RESPONSE TO PETITION

No.

1-90(1)

EXECUTIVE COUNCIL

NWT GOVERNMENT LIBRARY



Petition tabled by Mr. Ernerk on February 20, 1990.

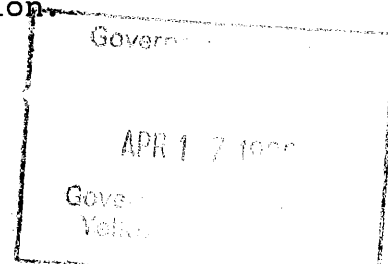
Response by the Honourable Tom Butters  
Minister of Government Services

## INCREASES IN NORTHERN PARCEL RATES

Although the petition was addressed to the Honourable Pierre Cadieux, former Minister of Indian Affairs and Northern Development, I am pleased to provide the following response to the petition tabled by Mr. Ernerk, MLA for Aivilik on February 20, 1990.

I would first like to clarify that there have been two major adjustments to parcel rates as they affect Northern Canada. There was a major change in the rate structure for 4th class parcel post rates effective February 1, 1990, and there was a significant increase in the rate structure for commercial air freight shipments on the Northern Air Stage network, which began on January 31, 1990, and it is the latter I am assuming the petition is addressing.

The increase in Northern Air Stage rates is of great concern to this Government and our concerns have been expressed to both the Honourable Pierre Cadieux while he was Minister of Indian Affairs and Northern Development, and the Honourable Harvie Andre, Minister Responsible for the Canada Post Corporation.



March 21, 1990

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Subsequent to the press release by Canada Post Corporation on October 13, 1989, in which the increases to the rate structure were announced, a study team made up of officials from DIAND and Canada Post Corporation held meetings in the communities of Yellowknife and Iqaluit. These meetings which were held in early December afforded the opportunity for interested parties to express their concerns over the rate increases. The Government made their presentation at the Yellowknife meeting. These meetings resulted in a small decrease of 5% to the announced rates for the shipping of food and medicine to the Northwest Territories and Northern Quebec.

The Department of Indian Affairs and Northern Development, with the assistance of other federal departments, agencies, and Canada Post has agreed to study the implications of the declining annual subsidy to the commercial Northern Air Stage Network during the year 1990. To allow appropriate time for this in-depth study, Canada Post Corporation will not make any further adjustments to the rate structure during the year 1990.

Officials from this Government are very much involved in this study and have already been approached by DIAND for supporting information that will hopefully identify alternatives to the high cost of shipping goods by Canada Post. I will keep the Member informed of any progress with this study as the information is released.