



October 5, 1988

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Government of N.W.T.
Yellowknife, N.W.T.

Dear Sir:

Re: Public HOusing Rent Scale Discussion Paper II

I have given considerable thought to Discussion Paper II and wish to add my voice to those opposed to the paper.

I am in favor of private home ownership but feel that Housing Corp. must apply much more effort and thought in order to arrive at a viable program to promote the concept of private home ownership in the N.W.T.

Because we live in a rather unique part of Canada does not mean we should be afforded less consideration than other public housing tenants in other parts of the country. Consideration of rent scales, policies, procedures and objectives of other Public housing agencies should play an integral part in the restructuring of the rent scales in the N.W.T.

As most of the housing in the N.W.T. is public housing changes in the rent structure are sure to impose an economic adjustment throughout the N.W.T. To avoid the sudden economic impact of an overnight change in rent rates a viable rent structure should be introduced over a predetermined period of time and scrutinized by an independent rental committee or commission.

In other public housing agencies many factors determine the amount of rent which will be assessed for a particular rental unit, not just the household income. Other factors include the size, condition, age and location of the unit. These must be considered in order to maintain fair treatment to all.

There is no simple solution.

A great many serious obstacles stand in the way of private home ownership in the arctic some of which are:

1. Mortgaging is not available in most communities.
2. Competent builders and tradespeople are difficult and very expensive to obtain.

3. Construction delays for prolonged periods occur through lack of inspectors in the building, mechanical and electrical trades.
4. Building lots are scarce or non-existent.
5. Home insurance rates are atrocious.
6. Fuel and utilities costs are prohibitive.
7. Freight rates for construction and ongoing maintenance materials can drive the cost of home ownership beyond the reach of the average wage earner.

All of the above items and probably more must be taken into consideration in the promotion of private home ownership. Without some sort of financial assistance the prospective home owner will be overwhelmed and shy away from the idea or get in over his head and ultimately be forced to abandon and relinquish the rights to his home.

To arbitrarily abolish the existing rent scale and install a rent scale that will unjustly tax the wage earning tenant does not appear to be promoting private home ownership.

The promotion of private home ownership should be through desire and incentive, not penalty.

I believe a committee comprising members from Housing Corp., Housing Assoc's. and the tenants should be created to investigate the potential problems and make recommendations to Housing Corp.

Written with the intent of constructive criticism.

Yours truly,



Fred D. Gray

c.c. Maureen Cochrane
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