
Northwest Territories Legislative Assembly / ᓄᓇᓕᓕᓄᓐ ᓕᓕᓕᓄᓐ ᓄᓐᓄᓐ
Member for Iqaluit
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September 9, 1996

Hon. Charles Dent
Minister for Income Support

Re: Changes to Fuel Subsidy for Seniors

Dear Charles,

Since arriving back in Iqaluit two weeks ago, I have had several phone calls and letters from constituents concerning the subsidy aforementioned. The major concern we have is that the announced floor for the subsidy does not take in account the different costs of living in the territories.

For example., a median income of \$30,000.00 per household in Hay River or Yellowknife does not have the same cost per goods purchased as in Iqaluit or Fort MacPherson. Thus a senior in Iqaluit would be penalized and therefore have greater hardship where fuel costs, food prices, and O&M on their own home is significantly greater. How will this be factored in to the formula based on income? Is there room to allow for this discrepancy? Was this taken in account when the subsidy cut was proposed?

I know we all realized that there would be cuts, but fundamentally we stated it would not "be taken out on the backs of the poor or elderly," in this case it seems this is what we are doing. A better briefing for all members of the assembly should have taken place before a cut that will affect our elders in every constituency was announced.

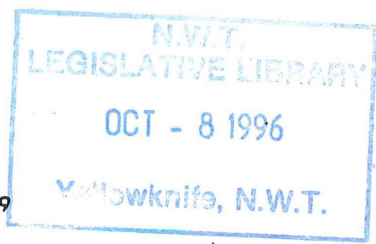
I look forward to your expedient response to these questions and will copy this letter to all ordinary members, as I know several of them have the same questions I do.

Regards,

Edward Picco
MLA, Iqaluit

cc All ordinary members

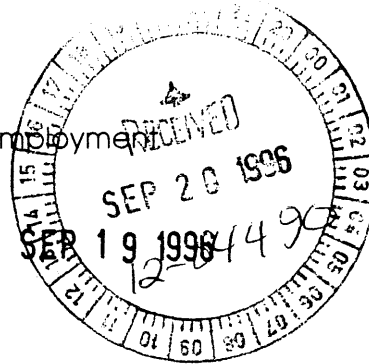
Yellowknife, Northwest Territories, Canada X1A 2L9/Fax (403) 920-4735/Telephone (403) 873-7999
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Jane A. ...



Northwest Territories Minister of Education, Culture and Employment



EDWARD PICCO, MLA
IQALUIT

Changes to the Fuel Subsidy for Seniors

I have received your letter of September 9, 1996 requesting clarification of the changes to the Seniors Fuel Subsidy.

At its inception, the Seniors Fuel Subsidy Program was meant to offset the high cost of fuel in the winter months for all seniors regardless of income. This government, as you know, can no longer afford to subsidize those who can support themselves. The change made to the program directly links the subsidy to those with the greatest need. The household income of \$30,600 for a couple and \$12,924 for a single person is a fair income ceiling for those persons who should receive support. The changes to the fuel subsidy have been structured so the poor continue to receive the subsidy while those who can, and should support themselves, will be required to do so. Those persons who are no longer eligible for the subsidy and experience hardship can apply for Income Support and if they qualify, have their full fuel costs paid. A northern cost of living factor is built into the Income Support Program. Therefore those who experience a hardship due to the high cost of living in their community will have a higher income threshold applied in the application for Income Support.)

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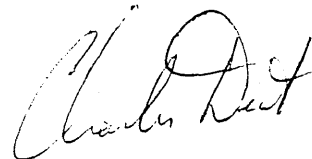
For your information, departmental records indicate only two persons received the Seniors Fuel Subsidy in 1995/96 in the Baffin region, (one in Iqaluit, one in Kimmirut). Of these two, one will continue to receive the subsidy and one has income above the threshold. If you are aware of individuals who feel they have been adversely affected by the changes to the Seniors Fuel Subsidy please refer them to the Career Centre in Iqaluit. Departmental staff will assess each person to ensure that no one will suffer an undue hardship.

The changes to the Seniors Fuel Subsidy were discussed twice in the Standing Committee on Social Programs within the Department's Business Plan and during the Budget session. I personally wrote all MLAs and all community leaders to inform them of the change. The Department advertised in newspapers and established a 1-800 number to provide information to seniors. I believe these efforts provided ample opportunity to debate and become informed on the changes.

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The changes to the Seniors Fuel Subsidy Program must not be viewed in isolation from all Social Policy Reform initiatives. As a government we must be active in restructuring programs so they are affordable, and continue to provide support to those who cannot support themselves.

I trust this answers your concerns.

A handwritten signature in black ink, appearing to read "Charles Dent". The signature is written in a cursive style with a large initial "C".

Charles Dent

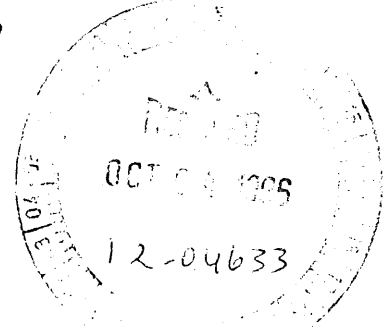
c. MLAs

NWT SENIORS ADVISORY COUNCIL

"Seniors Helping Seniors"

October 1, 1996

Jane Groenewegen, MLA
Government of the Northwest Territories
Box 1320
Yellowknife, NT X1A 2L9



Dear Ms. Groenewegen:

Winter is fast approaching and many seniors are angry about changes to the Fuel Subsidy policy and even more angry about the way the government is handling them.

When the GNWT gave a public notice of its new Fuel Subsidy Policy on August 19th (effective from the first of September) approximately 250 senior homeowners in the NWT became ineligible for the assistance.

My office has received calls from Gjoa Haven, Fort McPherson, Igloodik, Hay River, Enterprise, Fort Smith and Yellowknife within days of the announcement. There has been a steady stream of calls, letters and meetings over the past month on the fuel subsidy issue.

Perhaps the most dramatic expression of anger took place in Hay River on August 30. Forty seniors marched through the streets to the local Housing Authority. They demanded that if the government no longer wanted to help them heat their own homes the government should supply them with Public Housing instead.

Our NWT Seniors Advisory Council was also puzzled by the announcement. This Council was established by the NWT Seniors Society and the Department of Health and Social Services in April 1995 to review programs affecting seniors. The Advisory Council was not given the opportunity to review changes to the Fuel Subsidy Program and we quickly made our frustration clear to Minister Dent. On August 23, the NWT Seniors Advisory Council recommended that the Government defer any changes to the Fuel Subsidy Program until April, 1997. We asked to be allowed to work with the government on a new policy. We offered to keep seniors and elders informed of any changes and to make MLA's and Ministers aware of reaction to them.

The Government's response was yet another public announcement of a new Fuel Subsidy Program to come into effect on approximately September 23. Instead of using the NWT Senior's Supplement Benefit as a "means test" it proposed single income of \$12,000 and couple income of \$30,000 for people over sixty years old as eligibility levels.

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Box 1564 Yellowknife, NT X1A 2P2

Information Line: 1-800-661-0878 Office:(403)920-7444 Fax: (403)873-9915

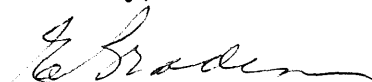
The problem for our Society is that Government advertising continues to quote the NWT Seniors Information Line as one of the phone numbers for Seniors to get information. Our difficulty is that we still don't know what is official cabinet policy. Judging from some calls we receive, government workers in the field are still telling seniors they have to be sixty-five and receiving a supplementary benefit in order to qualify for a Fuel Subsidy Benefit.

In our view the fuel subsidy policy changes were not clearly thought out. As a result the government has had to scramble from one new policy to another in less than a month. The Seniors offer to review the policy has been ignored. We have not been asked for our ideas about a means test.

The idea of a means test has been around since the policy was drafted in 1991. Presumably it wasn't included because it meant more paperwork and more bureaucracy. The August 1996 proposal to use the Supplementary Benefit as a means test seemed to overcome that problem. It was nice and simple. Only, of course, the changes created other difficulties. It excluded people below sixty-five, many of them unemployed, making a meager living, or living on a small pension yet still struggling to maintain a home.

Enclosed is a copy of the motion made by the NWT Seniors Advisory Council to the Department of Education, Culture, and Employment on August 23, 1996. We urge MLA's to forward and support a motion in the Assembly which would allow seniors and elders to make some suggestions for a new policy. We often hear from elected leaders how much they value elders for their experience and wisdom. The Government agreed to the formation of the Seniors Advisory Council and has supported it financially. The least the Government can do is to listen to us.

Sincerely,



Esther Braden
President

cc: NWT Seniors Advisory Council

Peter Ernerk - Rankin Inlet

Lloyd Bruner - Hay River

Abe Okpik - Iqaluit

Bob Spence - Yellowknife

Cathy Praamsma - Dept of H&SS

Archie Bevington - Fort Smith

Elizabeth Colin - Fort McPherson

Dusty Miller - Yellowknife

George Porter - Gjoa Haven

NWT SENIORS ADVISORY COUNCIL

Motion: 96-08-23

Whereas: The NWT Seniors Advisory Council is mandated to represent and promote the interests of aboriginal and non aboriginal seniors and elders living in the NWT, and

Whereas: The NWT Seniors Advisory Council is mandated to provide the GNWT with advice and recommendations on GNWT policies, programs and services affecting NWT seniors and elders, and

Whereas: One of the NWT Seniors Advisory Council objectives is to promote GNWT policies, programs, and services which encourage to the greatest extent possible, self reliance and self sufficiency amongst NWT seniors and elders, and

Whereas: The NWT Seniors Advisory Council supports and encourages the GNWT to take restraint measures which are required under current fiscal circumstances, while taking into account the welfare of all NWT residents; and

Whereas: Owning and maintaining their own homes contributes to an independent and healthy lifestyle for northern seniors and elders as well as reducing dependency on government support; and

Whereas: The NWT Seniors Society 1-800 Information Line has received numerous replies in response to the GNWT's decision to reduce benefits under the seniors fossil fuel subsidy program, calling for general information on the changes, to express concerns and disapproval, and to offer alternative suggestions, and

Whereas:

The NWT Seniors Advisory Council advises that more than a two week lead time is required for seniors and elders to make financial adjustments, and

Now Therefore,

The NWT Seniors Advisory Council recommends that:

- The GNWT defer until April 1997 the implementation of the revision to the seniors fossil fuel subsidy program.
- The NWT Seniors Advisory Council be mandated to develop and recommend a fair and reasonable proposal in conjunction with the Department of Education, Culture, and Employment on how revision on the fuel subsidy program could be implemented to achieve GNWT fiscal restraint objectives while encouraging seniors and elders to remain in their own homes and in the north.
- In addition to advising seniors and elders of the changes to the subsidy program, the NWT Seniors Advisory Council will advise the Minister and MLA's of ongoing reaction to this measure.

Column for the Hub, Monday, August , 1996

It was with interest that I noted the latest announcement from the GNWT regarding benefits to seniors. Last week the Minister of Education, Culture and Employment issued a press release stating that "The rules that determine who's eligible for Seniors Fossil Fuel Subsidy Program have changed."

It further states that "In the past, the Seniors Fossil Fuel Program was available to all homeowners who were older than 60 years of age. Many people receiving the subsidy were working or had other substantial sources of income."

This will affect 40% of the seniors receiving this subsidy and will save the GNWT approximately \$200,000.

I have a big problem with removing this assistance to seniors living in their own homes. Less than two years ago, the Housing Corporation decided to lower the rent being paid by seniors over 60 years of age in public housing to zero. In a recent letter from the Hon. Goo Arlooktoo, Minister of Housing it was stated that this action was taken "to show respect to elders." This respect was paid completely irrespective of the elders ability to pay.

In Hay River seniors living independantly in their own homes could only rely on assistance from the heating fuel subsidy and exemption from property taxes, while seniors living in public housing (regardless of income) would not contribute anything towards the cost of accommodation.

Some seniors in Hay River felt that this was an inequitable disbursement of support to seniors. They asked the government to undertake a study to determine if there was a way to spread these resources more fairly, to close the gap and equalize the cost of living for seniors, whether in public or private accommodation, based on ability to pay. For example, this might result in some seniors continuing to receive full support based on a lower income while others might be required to pay a portion of their rent. This might have allowed seniors who are struggling to stay in their own homes, the ability to do so.

The findings of this study and any changes it might bring about are still unknown. But in the midst of this process taking place, the GNWT has decided to make it even less attractive for seniors to stay in their homes by removing the fuel subsidy to higher income seniors. Undoubtedly, there are some who will not be adversely affected by this but I believe that there are a lot of seniors in Hay River, living on fixed incomes that this will create hardship for and may be the last straw forcing them to give up their homes.

So while Hay River seniors are asking the GNWT to close the gap between those receiving little support and those receiving everything (regardless of their ability to pay) a divisive iniative is taken which creates greater disparity.

No one would think of denying public housing to seniors without the means to pay. But where means has never been a factor in determining rent to a senior in public housing, it is being used as a benchmark for those eligible for fuel subsidy.

There are some facts which the government should take into consideration before they get too excited about saving \$200,000. I don't think anyone will argue with the following points, 1) we want our seniors to stay in the north, 2) we do want to show our elders respect by treating them fairly and equally, 3) we are showing them respect by offering some assistance for them to live independantly in their own home, 4) every senior who is healthy enough and happy to be living in their home is not costing the government the amount it would cost to take care of them in a multi-level care or hospital extended care facility and therefore saving the government money. From a purely monetary perspective, it would be prudent to offer a little support to save a lot.

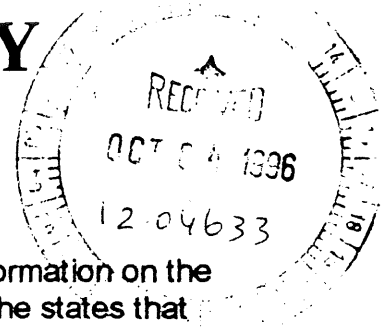
It's a win/win situation if we could reasonably and sensibly create a system of support to all seniors. They would be happy, we would be showing them respect and the bonus, it would cost the government less in the long run. As a government, let's ask them what they think and then listen.

PS, It has been almost a year now since I was elected. It has been a time of transition and learning. Hopefully, this is the first of weekly columns I will write to keep constituents informed of various issues. I appreciate your calls and input. I can be reached in Hay River **anytime** at my constituency office: 874-6141 or my home: 874-2153. I return to Yellowknife in preparation for the fall sitting on September 14th.

Welcome to all the students from around the north arriving this week for the Alcohol and Drug Counselling Traning Program.

NWT SENIORS SOCIETY

"Seniors Helping Seniors"



Dear Mr. Ootes:

As you know the NWT Seniors' Society is having difficulty obtaining information on the new Fuel Subsidy Program. In correspondence from Honourable Dent he states that the income for eligibility for people 60+ is income below \$12,000 for single and \$30,000 for a couple. In discussions with Dana Heide, Director of Income Support Program he said the eligibility for people 60+ is income below \$12,972 for single and \$30,744 for couple. An article in the Hay River Journal states that the eligibility for people 60+ is income below \$12,900 for single and \$30,000 for a couple. **To date the NWT Seniors Society still does not know what is the official policy so** that correct information can be relayed to seniors and elders on our Seniors Information Line. I am attaching the newspaper article and the letter from Honourable Dent.

We would like to know what is the official cabinet policy of approval and the implications the changes will have for both Seniors and the GNWT. Unless there have been rule changes the Cabinet is obliged to respond to written questions in the Assembly. Would you or one of your MLA colleagues ask the following written questions to the Minister of ECE concerning the Fuel Subsidy.

Question #1 Can seniors between the ages of 60-65 still be eligible for the fuel subsidy? If so would the Minister provide a copy of the policy outlining the eligibility.

Question #2 Under changes to the fuel subsidy proposed in August, 1996, the government claimed it would reduce recipients by 40% and save \$200,000. Under the more recent means test proposal how much will the government save?

Question #3 Under the changes proposed in September, 1996 single and couple income levels were given to determine eligibility for fuel subsidy according to need. How were these levels determined and who, if anyone, was consulted?

Question #4 Does the Government provide enough funds in the Fuel Subsidy Budget to cover the costs for all seniors who are eligible for it; also how does the government inform seniors about the availability of the program?

Question #5 Over the past three years what percentage of eligible elders received the fuel subsidy?

We appreciate your continued interest in this issue and hope you will be able to obtain the information we are seeking.

If you have any questions please contact Barb Bond, Executive Director at 920-7444.

Sincerely,

Esther Braden
Esther Braden - President

Thanks for all your support
E.

Box 1564 Yellowknife, NT X1A 2P2

Information Line: 1-800-661-0878 Office:(403)920-7444 Fax:(403)873-9915



Northwest
Territories Minister of Education, Culture and Employment

Ms. Esther Braden
President
NWT Seniors Society
P.O. BOX 1564
YELLOWKNIFE NT X1A 2P2

SEP 27 1996

Dear Ms. Braden:

Senior Wood/Fuel Subsidy

Thank you for the opportunity to meet recently to discuss changes which we have made this year to the Senior Wood/Fuel Subsidy Program. The discussions were, I think, quite useful and helped to clarify a number of matters.

Let me begin by again indicating that the miscommunication with regard to program changes is regrettable. I believe that it is important to establish and maintain an effective approach to information exchange and discussion. Future communication efforts will be strengthened to reduce the possibility of misunderstandings arising.

This being said, this government, like most others across Canada, is facing difficult financial times. Reduced services, increasing populations and high public expectations are all elements of pressures which we are currently facing. As a result, many programs are being altered, reduced, and in some cases, eliminated.

As you are aware, we have made some specific changes to the Senior Wood/Fuel Subsidy Program for 1996/97. The primary change which we made this year, was to focus the program more specifically on low income seniors. To do this we are income testing those sixty and older, using the criteria established for the Senior Supplementary Benefit. This means that those who own their homes and have an income lower than \$12,000 for a single person or \$30,000 for a couple, are eligible to receive the subsidy. This approach reduces the number of seniors receiving the benefit.

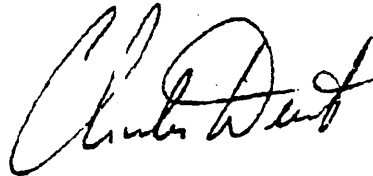
As you requested, we have prepared for you an analysis of the number of seniors who will receive the supplement this year. We cannot be entirely certain that these numbers are exact, as we do not know how many seniors own their homes. While recognizing that the subsidy is important to a number of seniors, our analysis shows that many who have received the benefit in the past had incomes which were well in excess of the minimum standards set for our income support programs.

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During the past few weeks we have been active in circulating information to our regional and community offices as well as to members of the public. These efforts have included print advertising letters to mayors and chiefs and the insert of an information slip into the October NWT Senior Supplement cheques. The efforts of your organization to distribute information on program changes through the Senior Society's toll free line is also appreciated.

I have also asked the departmental staff to contact you in early October to discuss the broad reform of the Income Support Program which this government will undertake later this year. The planned changes will be of interest to the members of your society.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Dent". The signature is written in a cursive style with a large initial "C".

Charles Dent

Attachment

Seniors Fossil Fuel Subsidy - 1995/96 v.s. 1996/97

Region	Received Wood/Fuel 1995/96	Eligible for Wood/Fuel 1996/97	NOT Eligible for Wood/Fuel 1996/97	% NOT Eligible for Wood/Fuel 1996/97	Seniors not eligible for Wood/Fuel who rec'd. S.A. in the last 15 months
North Slave	172	52	120	69.77%	1
Fort Smith	256	79	177	69.14%	6
Fort Simpson	98	64	34	34.69%	3
Inuvik	148	64	84	56.76%	2
Baffin	2	1	1	50.00%	1
Keewatin	12	1	11	91.67%	0
Kitikmeot	<u>8</u>	<u>1</u>	<u>7</u>	<u>87.50%</u>	<u>0</u>
Total	696	262	434	62.36%	13

Hay River Herald
Sept 24/96

business 'inconsistent'

to get their company off the ground," McMeekin said.

However, Courtoreille pointed out that there was no other massage therapist operating in the core at the time the therapist's home business licence was granted, so there was no question of competition.

Simmons works full-time as the pool aquatic director. The suntan business would have been a side-line, open to the public three evenings per week.

She believes that home-based clothing

companies, Avon distributors, accounting services and catering companies are all in competition with existing Hay River businesses.

"There's no consistency with council's way of handling it," she said.

Carole Carnell, who owns Gorgeous Hair, said she doesn't think a home licence should be granted to a competitor.

"If I've got to rent space to have [a suntan bed], then anybody should," Carnell said.

Government eases up on seniors fuel subsidy cut

Pressure from senior citizens has prompted the territorial government to soften their proposed cutback on the seniors fossil fuel subsidy program.

When the cutback was originally announced, only people who were eligible to get the NWT Seniors Supplementary Benefit were to get the fuel subsidy. All others would be cut off.

But after an uproar raised by seniors in Hay River and throughout the NWT, the government has made some changes that will allow low-income seniors who may not qualify for the supplementary benefit to get the fuel subsidy. While it won't in-

clude many more seniors over 65, it will cover more in the 60 to 65 age group.

The cut-off for annual income is now \$30,000 for a couple or \$12,900 for a single senior.

"We wanted to include everybody with low income," said Dana Heide, director of income support programs for the ministry of Education, Culture and Employment.

With the change, the government won't get the full \$200,000 it was originally planning to save, said Heide.

The government isn't sure how much it will save, since there are no statistics on income for those aged 60-65.