

STANDING COMMITTEE ON SOCIAL PROGRAMS

Report on
Changes to the Senior Fuel Subsidy

Tommy Enuaraq, M.L.A.
Chair

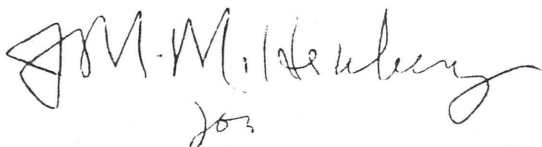
February 10, 1997

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THE HONOURABLE SAM GARGAN, M.L.A.
SPEAKER OF THE LEGISLATIVE ASSEMBLY

Mr. Speaker,

Your Standing Committee on Social Programs has the honour of presenting its Report on Changes to the Seniors Fuel Subsidy and commends it to the House.



Tommy Enuaraq, M.L.A.
Chair



Standing Committee on Social Programs

Final Report on the Seniors Fuel Subsidy

On October 9, 1996, in response to Members' concerns, the Legislative Assembly passed a motion, referring the issue of changes to the seniors fuel subsidy to the Standing Committee on Social Programs.

The Standing Committee believes the Minister of Education, Culture and Employment has been given clear political direction to keep the seniors fuel subsidy in some form. As we noted in an October report to the Minister, there is clear consensus among the Ordinary Members and agreement from the NWT Seniors Advisory Council that this program should remain in place. When we approved a change to the fuel subsidy as part of the 1996/97 budget, it was with the understanding that the change would address only those high income seniors who were getting the subsidy. The actual implementation went far beyond what we thought we were approving.

The Committee addressed the issue with the Minister with no resolution. On October 18, 1996, we gave an interim report, CR 12-13(3) in the House identifying the need to retain the subsidy in the short term. In that report, we also identified possible options for funding the program.

We again tried to address this issue during the review of the draft Main Estimates in December. The Minister continued to indicate that he was unable to find the funding necessary to continue the program but would consider options put forward by the Committee. As a result of our discussions, we offered a number of potential sources for some or all of the funding required to support this program.

There is a Social Envelope working group looking at the array of programs and subsidies available to seniors. This group may recommend changes to the seniors fuel subsidy or replacement of the subsidy with a different option. However, there is no indication at this point of the timeframe for completion of this comprehensive review of seniors' programs and subsidies. It is not appropriate to eliminate the fuel subsidy until the Standing Committee and Members of the Assembly have had an opportunity to review and approve other possible options.

We had hoped the Minister of Education, Culture and Employment would be willing to work cooperatively with the Standing Committee to ensure seniors were able to access some form of fuel subsidy. The Standing Committee on Social Programs strongly believes that the Minister could have identified the \$250,000 necessary for this program within his \$280 million budget.

Given the lack of positive response from the Minister to date, the Standing Committee would support the introduction of a formal motion directing the Minister to maintain the seniors fuel subsidy until such time as the Assembly directs otherwise.