



Northwest Territories Poverty Progress Profile

OVERVIEW

The Government of Northwest Territories (GNWT) has yet to provide a definition of poverty and currently has no territorial strategy to eradicate it. They are seeking an anti-poverty strategy with the help from social justice groups, businesses and community members. A discussion paper outlining the plan awaits completion following its initiation in 2010. In March 2011, a *Poverty Survey* was distributed by the government throughout the territory asking members what they believe is critical to addressing the issue of poverty. Non-government organizations (NGO) such as Alternatives North responded to the survey offering several recommendations outlined in a report called *Action on the Ground*. This NGO is pressing the government to address poverty issues in the territory as well as other social justice issues. The Northwest Territories (NWT) stands out in Canada as the territory that has the greatest need for housing repairs, a crime rate six times higher than the national rate and soaring mental health issues.¹ The territory functions by a consensus system with no legislated political parties making it difficult to provide services that are at the crux of eradicating poverty.

Statistics Canada has yet to produce reliable data for the Northwest Territories, including the three measurements of poverty (LIM, LICO, MBM).² Therefore, this document will portray an approximation of poverty in the NWT but will not give an exact analysis of the territory.

Action on the Ground

Alternatives North is comprised of anti-poverty groups, environmental organizations, labour unions, churches, women and family advocates. Together as a coalition, the organization works to defend social justice issues. Leading the way for a poverty reduction strategy, Alternatives North answered the *Poverty Survey* issued by the Government of the Northwest Territories (GNWT) in March 2011. The survey was collected in April 2011, but GNWT has yet to correlate the responses. The following list is what Alternatives North identifies as priorities to eliminate poverty in their response to the *Poverty Survey*.³

- 1. Political Will** – Political and public service leaders must decide poverty is unacceptable.
- 2. Cost/Benefit Analysis** – Acknowledge, as other jurisdictions have, the sound business case for eliminating poverty. It is cheaper to eliminate poverty than to provide band-aid programs or ignore the problem.
- 3. Understand Poverty** – Increase public awareness of poverty and its causes and reduce the blame placed on people living in poverty.
- 4. Communicate the value of the public services** needed for quality of life (the social safety net) for all citizens and how much value we get for our tax dollars.

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5. Communicate the **economic and social costs to tax payers of poverty**, not just the costs of eliminating poverty.
6. **Corporations and businesses** benefit from poverty reduction too. They should pay their fair share of the taxes necessary to eliminate poverty.

Note: the above priorities were directly taken from Alternatives North response to the GNWT Poverty Survey.

In addition, Alternatives North points out four specific priorities to eliminating poverty. These include providing adequate and affordable housing; quality community-based early childhood education; quality mental health, trauma and addictions support and treatment; and to link community and economic development.⁴

MEASURING PROGRESS

Statistical Indicators of Poverty in Northwest Territories (unofficial measurement tools)

Table 1. Social Assistance Statistical Report 2008 retrieved from the Human Resources and Skills Development Canada.⁵

Table 2. Low Income Measure and percentage of households below \$30 000 income. Retrieved from the Poverty Reduction Policies and Programs: NWT for the Canadian Council on Social Development.⁶

Table 1.

Income Assistance – Number of Recipients and Cases (1997-2008)

Year	Recipients	Cases
1997	3985	1743
1998	3820	1820
1999	3604	1837
2000	3376	1675
2001	2266	1148
2002	2140	1064
2003	1904	1008
2004	1965	1062
2005	1937	1058
2006	1773	1001
2007	1817	1046
2008	1859	1027

Table 2.

Low Income Measure and % of Households Below \$30 000

	Low Income Measure (LIM)		Below \$30 000
	All	Lone-parent Families	All Households
NWT Total	15%	37%	15%
Beaufort Delta	22%	37%	27%
Sahtu	16%	37%	25%
DenCho	22%	39%	25%
South Slave	16%	37%	16%
Tli cho	22%	40%	37%
Yellowknife	10%	33%	5%

Views From Outside the Northwest Territories Government

In October 2010, Alternatives North hosted a workshop called *No Place for Poverty* to respond to the need for a “broad, comprehensive, integrated anti-poverty strategy to address the many issues that influence and are influenced by poverty”.⁷ This workshop brought four municipal governments and twenty-five social justice organizations together. This workshop reflected the current struggles to make ends meet with the Child Subsidy Program covering only a fraction of the cost of child care. As well as facing the reality that approximately 5% of the population experiences homelessness each year.⁸ The workshop discussed the need for an expansion in mental health services, an emphasis on adult literacy and alterations to punishments for crime such as on-the land programs or home punishment. Most importantly, the workshop highlighted housing as a number one priority to address the issue of poverty.

Notes on Critical Thematic Areas

- 1. Human Rights:** The Northwest Territories is one of three provinces/ territories to include the term ‘social condition’ in their Human Rights Act. Established in 2004, the term protects those from discrimination based on social and economic status.⁹
- 2. Income Support:** Policy changes to income security programs have impacted the territory in the past few years. A new vision of income support was proposed in the *Security Policy Framework for Self-Reliance* in 2005. Programs providing income support are now aimed at increasing self-reliance

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instead of the traditional model that offers a means of last resort.¹⁰ From this review, 2007 brought a year of improvement to benefits which increased the territorial budget by approximately 50%.¹¹ Several changes came out of this review, these include increases to food and clothing allowances, shelter for single individuals and assistance for seniors and persons with disabilities.¹² In addition, the Incidental Allowance for Persons with Disabilities and Seniors was introduced.

As noted in Table 2, an average 15% of individuals live in low income according to the low-income measure, as well as another 15% earn below \$30 000 a year.¹³ This percentage is amplified for lone-parent families and individuals located in rural communities. The Northwest Territories has one of the largest gaps between the rich and the poor. The average low-income earner receives \$16 344 a year while the highest-income earner receives on average \$205 723 creating an income gap of \$189 379. In comparison, the national average income gap is \$153 635.¹⁴

- 3. Housing:** The Northwest Territories is experiencing one of the worst housing problems in the country, with double the percentage of needed major housing repairs in all of Canada.¹⁵ The government plays a small role in combating homelessness. It has no designated overseer to address or review the housing crisis, nor has it produced a report on the issue. The federal government allocates \$417 000 to Yellowknife programs that address homelessness.

A lack of commitment through funding from the federal government is creating difficulties for the territorial government's abilities to help its people with the housing emergency as each unit costs between \$15 000 to \$20 000 to maintain a year.¹⁶ Although the territorial government spends 25 times more on housing than the average Canadian province, it is struggling to make ends meet with inadequate funding from the federal government for new social housing and 400 or more households on the waiting lists.¹⁷ Short term funding does not suffice for the amount of houses needing major repairs, a large homeless population and shortage of social housing units with funding due to expire in 2038.

- 4. Education:** The Department of Education, Culture and Employment Programmes (ECE) developed a strategic plan for 2005-2015. Five goals were formed including: Culture, Language and Heritages; Early Childhood and Schools; Adult and Postsecondary Education; Employment and Labour; and Income Security.¹⁸ The goals are governed by the departmental vision for Northern people to lead fulfilled lives and contribute to a strong and prosperous society.¹⁹ A progress report was conducted in 2009 showing expansions in training programs, materials such as textbooks, and establishment of advisory committees for the trades.²⁰ One statistical measurement showed that high school graduates had increased on average from 43% in 2001-2005 to 51% from 2004-2008 with a goal to reach 60% by 2015.²¹

- 5. Early Childhood Education and Care:** Child care is emphasized as a critical issue needing to be addressed in the Northwest Territories. Problems arise as other social and economic issues such as high living costs have forced women to work creating a higher demand for affordable child care.²²

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Finding an affordable and adequate child care facility is a mere impossibility with many of them at full capacity and two-thirds hosting waiting lists.²³ On average, parents wait one year on the waiting list before they are able to enrol their child in a day care. The GNWT provides a Child Subsidy Program to parents who can prove their low-income. In 2006-2007, 92 families benefitted from this program.²⁴ Efforts are being made to build a new child care centre in the town of Inuvik. The town has set aside \$2.3 million for this project but \$1.5 million more is needed for development.²⁵

- 6. Health Care:** Mental health is of serious concern in the Northwest Territories with substance abuse, alcohol and suicide being the worst in the country.²⁶ A report called, *Building On Our Foundation 2011-2016* written by the governmental department of Health and Social Services addresses the need to go beyond reporting traditional status indicators (such as disease, disability and death) and substitute it for a population health approach that looks to quality of life, social well-being, income, educational attainment and others.²⁷ Long-term funding is needed in order to provide an efficient healthcare system.
- 7. Employment Support:** Considering the unemployment rate is at 7.0% and the economy is in good form.²⁸ In fact, the residents in NWT are some of the richest in the country.²⁹ Furthermore, the employment rate as of November, 2011 was at 70.4% compared to the national rate of 61.9% which translates into 22,600 out of 32,100 residents 15 years of age and older were employed.³⁰ The minimum wage has increased with the rest of the country and has stayed at \$10/hour since April 2011.³¹
- 8. Community Building/Investment:** A collaborative effort by two local NGOs, Alternatives North and YWCA Yellowknife presented a question to all candidates in the September 2011 election. They asked if candidates would make an Anti-Poverty Strategy a priority for the 17th Assembly. 72% of candidates answered yes.³²

THE BOTTOM LINE

Efforts are being made by GNWT to alter the systemic and widespread issue of poverty in the territory. The government has highlighted the issue of poverty and has developed three discussion topics to guide the process. They include: defining and measuring progress on poverty; summarizing current programs and strategic direction related to reducing poverty; identifying areas for further action.³³ At the *No Place for Poverty workshop* in February 2010, a commitment was made by the GNWT to develop an anti-poverty strategy with guidance from social justice groups, businesses and community members. The workshop was a step forward to producing a discussion paper outlining the anti-poverty strategy. To accurately address and counter the housing crisis in the Northwest Territories further commitments are needed from the NWT Housing Corporation and federal government. Without further commitments to funding, Aboriginal peoples will continue to occupy the bottom realm of the income distribution, accounting for 90-95% of the homeless population.³⁴ These issues need to be tackled with the help of an anti-poverty strategy before the government focuses its attention on other concerns such as a decline in the economy. As of now the territorial economy remains in good standing but is threatened

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with an economic downturn due to “fragility of the international financial system, the high value of the Canadian dollar, and limited access to international markets”.³⁵ Residents await the outcome from the report following the *Poverty Survey* to determine the next steps.

FOR MORE INFORMATION

Canada Without Poverty
@UnderOne Roof
251 Bank Street, 2nd Floor
Ottawa, ON K2P 1X3
613-789-0096 (1-800-810-1076); info@cwpcsp.ca

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ENDNOTES

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