



UNW Position Paper Supplementary Health Benefits Program

March 22, 2010

The Union of Northern Workers cannot express too strongly its concerns over proposed changes to the current Supplementary Health Benefits Program (SHBP). The Union is concerned about the impact proposed changes will have on the Seniors' Benefits Program that was initially developed to ensure that seniors have access to the uninsured health services that they need.

Specifically, the Union is concerned for seniors who are neither Aboriginal nor Metis. The proposed changes to the SHBP will affect only those seniors who are not Aboriginal or Metis. Many Northerners in that group currently are or were UNW members.

The UNW's statistics indicate that over 35% of its present membership is over the age of 51. That means that more than 35% of current UNW members will now, or will soon, be affected by the proposed changes. Additionally, most non-aboriginal and non-Metis seniors who access the current SHBP were at some time members of the UNW.

The UNW strongly objects to curtailing or limiting health benefits to our territory's most vulnerable – our elders – at the time of life when they most need health benefits.

The proposed changes carry the tacit message that non-aboriginal and non-Metis elders are not full and equal partners with other northern elders. The Union rejects such a divisive and discriminatory policy.

Many of those being targeted have spent their whole lives in the North. Others brought their knowledge and expertise to the North – married, raised families and retired to enjoy their grandchildren. In what should be their "golden years" they feel they are being singled out and disrespected by this Government and the current Minister of Health and Social Services.

On the Department of Health website, a survey on SHBP states that the current Seniors' Benefits Program would be replaced with a system that determines eligibility on the basis of "income, instead of age or health conditions." Does this mean that seniors with a pension and a catastrophic illness will now have to choose between food and shelter or their costly drugs? To base eligibility solely on income fails to take into consideration a myriad of influencing factors that could have huge impacts on available income.

The proposed changes, target people at their most vulnerable time of life. Diabetes, heart conditions, arthritis, cataracts, glaucoma, hearing disorders, and a whole host of ailments and diseases, are all far more common in the

elderly than in the rest of the population. Yet the elderly, are being targeted, more accurately, only those who are non-aboriginal or non-Metis.

Understandably, many seniors are now reconsidering their decision to retire in the North. Without taking into account those already retired, current UNW members approaching retirement number 2,485 individuals. If they decide to sell their homes and take their pensions south, there will be nearly 2500 fewer NWT residents. Each Northern resident currently attracts \$26,000 in federal transfer payments. If 2500 individuals leave, the GNWT will lose \$65 Million in transfer payments each year. These figures do not include the spouses of those 2500 UNW members. Nor does this include seniors who are not UNW members or those seniors who are already retired, and for whom the proposed changes necessitate a re-evaluation of their desire to remain in the north. The estimated \$65 Million decrease in yearly transfer payments is likely to be a low estimate considering the number of people the proposed policy changes could affect..

But a drop in transfer payments is not all that the NWT will lose if large numbers of seniors decide to leave. Lost to the north will be the knowledge, history and community stability that seniors provide. Lost too, will be local family support and a huge number of community volunteers.

Such an exodus, will have very far reaching results as young people will choose not to return to the north to rejoin their families. Young people graduating from University, will cease returning to the North to offer their skills and to rejoin their families. Local housing markets, businesses and city tax coffers will also suffer. Such an exodus will cost the territory far more than mere dollars.

The 16th Legislative Assembly of the NWT stated in its Visions, Goals and Priorities that it intended to "*Pursue initiatives to reduce the cost of living...*" The proposed changes to the SHBP will increase the cost of living for a targeted group of elders, for those with disabilities, and for those with catastrophic illnesses or injuries. These are the very people who are already struggling in one of the highest cost environments in Canada.

In unedited Hansard for March 24, 2010 Hon. Sandy Lee stated "The changes proposed are going in the right direction in the most inclusive, fair and equitable manner." How removing benefits from a specifically targeted group of northern elders can possibly be "inclusive, fair and equitable" remains a mystery.

If the proposed policy is to be any of those things it needs to be built from a base of inclusion rather than championing exclusion. The Union believes that policy changes should be inclusive and sustainable for all - not for a select few. Additionally, purported public consultation without adequate information is meaningless. The GNWT generally and the Department of Health and

Social Services specifically should act as facilitators of and not impediments to health services.

A medical plan with a small premium similar to the payroll tax and that also left current benefits intact, while extending benefits to residents now excluded, would be, and be seen as, a respectful, fair and equitable policy. The proposed policy is disrespectful and divisive. NWT residents deserve better. The GNWT owes better!

To date, no information has been provided about the net cost or savings the GNWT expects with the implementation of the proposed policy. The reputation of the 16th Legislative Assembly has been marked by arrogance and secrecy. Approving \$165 Million for a bridge that many oppose while removing health benefits of a targeted group is divisive, discriminatory and unfair. Residents are asking why this government can find funds for a bridge but not for health benefits for all elders. Is a bridge more important than elders? Is a bridge more important than health care. The actions of this government suggest that their answer is a resounding "YES!".

The bridge that this government should be funding is not one across a river but a financial bridge that guarantees all NWT residents access to extended health care benefits. Pursuing that bridge would be equitable and fair and would at the same time help reduce the cost of living for all northerners.

Additionally, UNW members are wondering if the proposed policy is contrary to the provisions of the NWT Human Rights Act. The Seniors' Benefits Program changes apply only to non-aboriginal and non-Metis seniors. Discrimination based on ancestry, ethnic origin or age is prohibited by the Legislation. Further there is talk of a benefit contribution based on family income and size. Human Rights Legislation prohibits discrimination on the basis of family status.

If the proposed policy changes are driven by a desire to finance the cost of including all northerners in a health benefit scheme it would seem fair that the cost is born by all. Governments generally do this through taxation. Everyone benefits from roads, hospitals and schools so everyone funds them through their taxes. High income earners pay more and low income earners pay less. Everybody contributes according to their means. Specific groups are not targeted.

The UNW recognizes that the proposed policy change is not "inclusive, fair and equitable". It is instead, divisive and discriminatory. NWT residents want "inclusive, fair and equitable" treatment. As long as the proposed policy fails to accomplish that, this government will continue to fail its constituents.