

March 2019

A LIVING INCOME FOR SENIORS
IN THE NORTHWEST TERRITORIES

YELLOWKNIFE • FORT SMITH • HAY RIVER • INUVIK



This project was sponsored by



The NWT Seniors' Society is dedicated to promoting the independence and well-being of older citizens through the provision of programs and services in partnership with responsible government departments and other organizations.

For more information visit www.nwtseiorsociety.ca or contact:

Executive Director
NWT Seniors' Society
102, 4916 46th Street
Yellowknife, NT X1A 1L2

Local Phone: 867-920-7444
Toll Free Phone: 1-800-661-0878
Fax: 867-920-7601
ed@seniorsnwt.ca

Publication Author:

Michel K. Haener, MSc
M. Haener Consulting Services
mhaener@telus.net

Introduction

Affordability is a recognized challenge in Northwest Territories' (NWT) communities. High living costs hamper the resilience of residents who find themselves unemployed or underemployed. However, even for NWT residents working fulltime making ends meet can be a struggle as demonstrated by recent Living Wage research. For wage earners, Living Wage provides a useful indicator of affordability that accounts for the cost of living within a specific community.

For NWT seniors, the impacts of rising living costs can be amplified. Many seniors are on fixed incomes and some are facing the costs of running a household alone after years of sharing that responsibility with a partner. Some seniors may find that affordability limits independent housing options even when safety, accessibility and functional supports are not yet concerns.

Determining the "Living Income" for seniors living independently can help to shed light on the potential magnitude and scope of affordability concerns within a community. The concept of Living Income can be applied to households that do not earn wage income, as is the case for most seniors.

Living Income has been defined as

The net annual income required for a household in a particular place to afford a decent standard of living for all members of that household.

Like Living Wage, the concept of Living Income puts a strong emphasis on the idea of decency and earning enough income to live a dignified life¹.

This report provides Seniors' Living Income estimates for four NWT communities: Yellowknife, Fort Smith, Hay River, and Inuvik as these are the communities with the most data available.

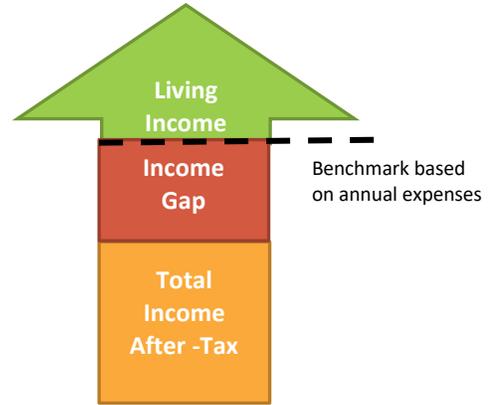
Seniors and Older Adults

Programs, services, and subsidies using the label "seniors" use a variety of age thresholds ranging from a low of age 55 to age 65. For the purposes of this report, senior is defined as someone aged 65 and over; the term "older adult" refers to individuals age 55 or older.

¹ The Living Income Community of Practice website: <https://www.living-income.com/the-concept>

Living Income Approach

The calculation of Living Income involves the estimation of annual expenses that a household would incur in order to achieve a decent standard of living. This “decent living cost” is used as a living income benchmark. If after-tax household income is the same or greater than what it would cost to live decently, then the household is considered to have a Living Income. Where a household income is lower than the living income benchmark, an Income Gap exists.

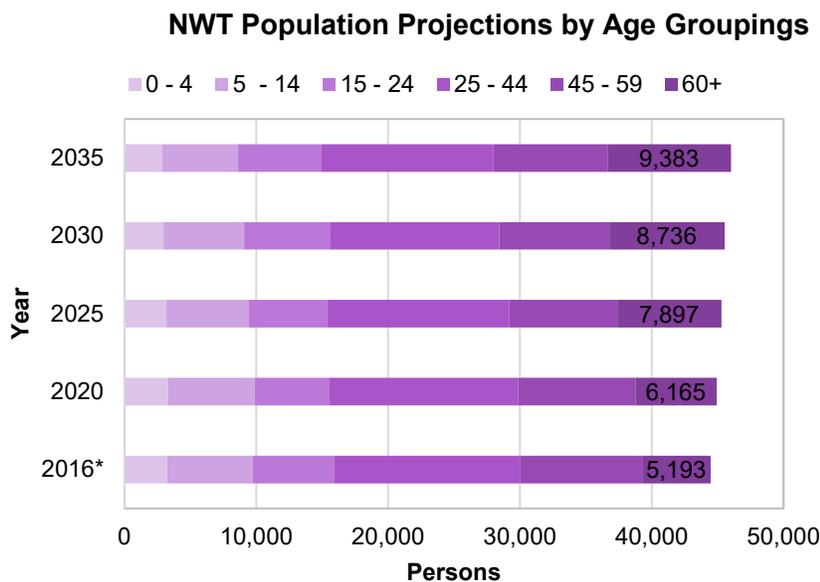


As is the case with Living Wage estimation, reasonable budget inclusions and exclusions must be defined in order to determine annual expenses. The budget and expenses will also depend on the reference household(s) examined. The next section reviews socioeconomic data that was reviewed to inform the selection of reference households used in the Living Income calculations.

Socioeconomic Context

Population

The most recent federal census found that about 12% of NWT residents in 2016 were age 60 or older. NWT population projections indicate that the NWT population is anticipated to increase by about 3.5% or 1,500 persons by 2035. The greatest shift in the NWT’s demographic profile is anticipated to be in the proportion of residents aged 60 or older which is projected to reach 20% by 2035.



Household Size

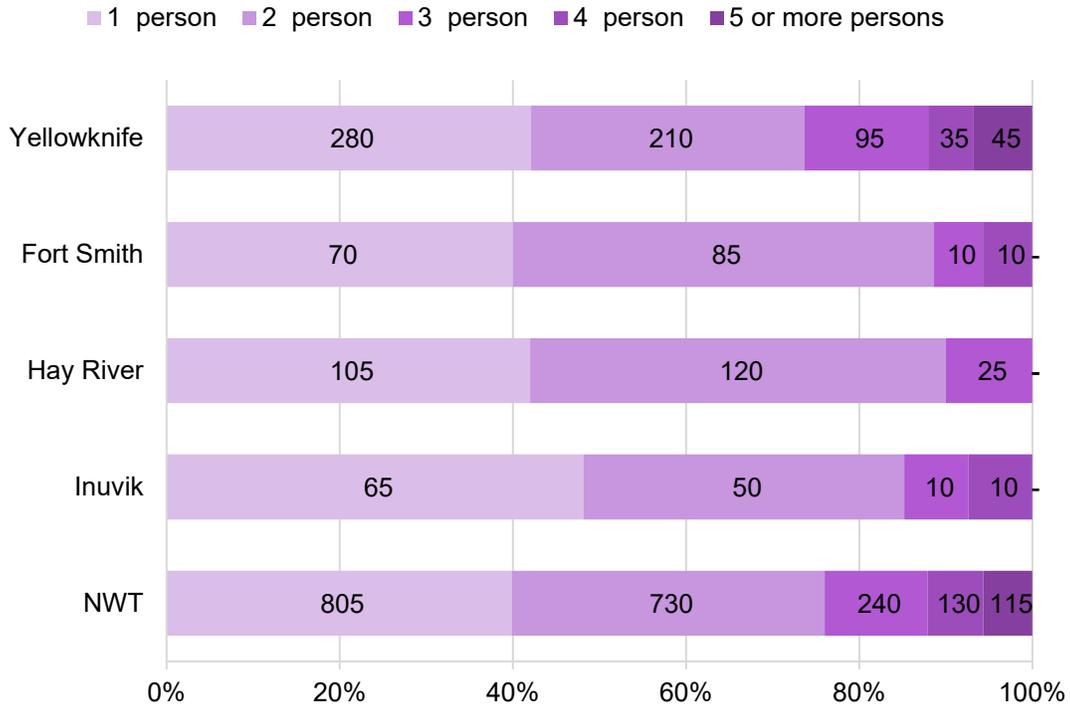
The NWT Bureau of Statistics provided data respecting the size of households with a household maintainer² that is an older adult or a senior. Across the NWT and within Yellowknife, Fort Smith, Hay River and Inuvik, the large majority of households headed by a senior were comprised of either one or two persons.

Household Maintainer

Refers to whether or not a person residing in the household is responsible for paying rent, or mortgage, or taxes, or electricity, other services or utilities. Where a number of people may contribute to the payments, more than one person in the household may be identified as a household maintainer.

A common term that can be used to describe a household maintainer is head of household.

Private Households with Household Maintainer 65 Years and Older - Household Size



² Statistics Canada’s definition of household maintainer is described in the bubble.

Housing Tenure

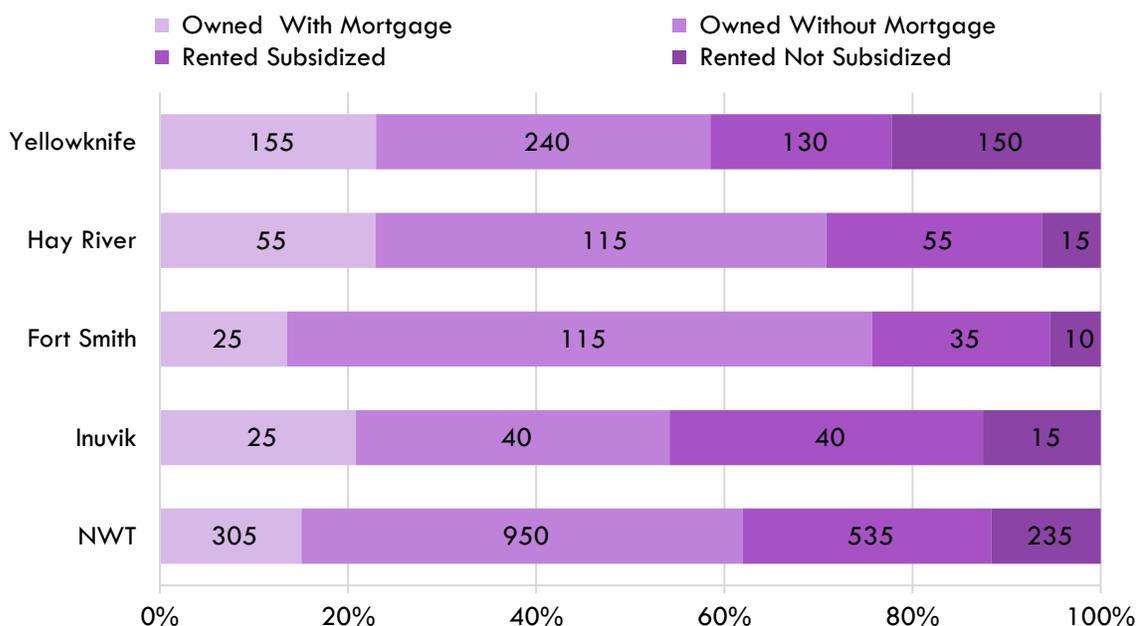
In the NWT, seniors live independently in both owned and rented accommodations. Detailed data related to the housing tenure³ of seniors and older adults is provided in Appendix B. Data for seniors is summarized in the chart below.

Tenure

Refers to whether the household maintainer owns or rents their private dwelling or whether the dwelling is band housing.

Across the NWT, most private households headed by a senior are owned (62%). This figure is similar in Yellowknife (59%) but significantly higher in Fort Smith (76%) and Hay River (71%) and lower in Inuvik (54%).

Tenure of Private Households with Household Maintainer 65 Years and Older



The majority of NWT households rented by a senior are subsidized (69%). Fort Smith, Hay River and Inuvik show an even proportion of subsidized rental housing amongst private households maintained by seniors (over 73-79%). In Yellowknife, the proportion is lower (46% subsidized).

³ Statistics Canada's definition of tenure is provided in the bubble.

Income

Statistics Canada and the NWT Bureau of Statistics and were used as sources of income statistics for older adults and seniors in the NWT.

The table below shows that median income is much higher for senior couples than for single seniors. This indicates that households headed by one senior often have much less than half the income of households headed by two seniors.

Median Before-Tax Senior Family Income (2016)

	Couple	Non-Couple
Northwest Territories	103,610	28,220
Outside Yellowknife	85,390	27,150
Yellowknife	134,110	35,430

The table below provides data for individual seniors as opposed to families or households headed by one or two seniors. For individual seniors, median and average⁴ income levels are highest in Yellowknife and lowest in Inuvik.

Individual Total Income of Older Adults and Seniors (2015)

	Older Adults			Seniors		
	Before Tax		After Tax	Before Tax		After Tax
	Average	Median	Average	Average	Median	Average
Northwest Territories	79,893	67,390	64,674	49,840	28,320	43,284
Inuvik	73,563	64,900	60,203	46,273	25,670	39,477
Hay River	77,223	64,680	63,745	52,645	32,820	45,053
Fort Smith	89,621	70,900	72,759	51,481	37,690	45,278
Yellowknife	91,724	81,700	73,299	60,529	39,780	51,630

Senior Family

Refers to a family where at least one person is a senior (65 years or older for the data shown).

Total Income

Includes income from all sources including government transfers.

Median

With respect to income statistics, refers to the dollar amount at the midpoint of all reported income amounts.

⁴ Based on Statistics Canada definitions, individual total income, median total income, and family income are described in the bubble.

Calculation of NWT Seniors' Living Income Benchmarks

Based on the socioeconomic review, the following two reference households are identified as most common and are used in the analysis for each community.

Reference Households	
Alone & Rented	Couple & Owned
Single senior living alone Rented accommodation	Two seniors living together Owned accommodation (house or condo) No mortgage payment

The determination of budget inclusions and exclusions is guided by the NWT Living Wage approach but modified as appropriate for the two reference households.

Annual Expenses	
Inclusions	Exclusions
<ul style="list-style-type: none"> ✓ Food ✓ Shelter & Utilities ✓ Clothing & Footwear ✓ Transportation ✓ Health care ✓ Other household costs ✓ Contingency funds 	<ul style="list-style-type: none"> × Special dietary needs × Debt/interest payments × Hobbies × Pet ownership × Alcohol or tobacco costs × Personal life or disability insurance × Financial help to family members

Cost estimation methods and data sources are described in detail in Appendix A. The next page summarizes the results.

Living Income Benchmarks

Reference Household		Yellowknife		Fort Smith		Hay River		Inuvik	
		Alone & Rental	Couple & Owned						
Basic Living Costs	Food	3,535	7,070	4,342	8,684	4,467	8,934	5,801	11,602
	Rent	17,412	0	12,665	0	14,950	0	16,710	0
	Insurance	235	1,029	235	1,029	235	1,029	235	1,029
	Property Tax	0	2,033	0	0	0	0	0	0
	Power	1,631	2,307	1,600	2,300	1,600	2,300	1,800	3,000
	Water & Sewer	0	1,140	0	834	0	604	0	1,500
	Heating*	0	4,500	0	3,000	0	3,000	0	6,000
	Clothing & Footwear	1,922	2,718	2,592	3,665	2,573	3,638	2,558	3,618
	Transportation	600	5,823	2,000	5,467	2,000	5,551	2,000	4,853
	Health Care	600	1,200	600	1,200	600	1,200	600	1,200
	Other Costs	6,375	9,016	8,002	11,316	8,162	11,543	10,021	14,171
	Contingency	956	1,352	1,200	1,697	1,224	1,731	1,503	2,126
Total		33,266	38,188	33,236	39,192	35,811	39,530	41,228	49,099

Living Income Benchmarks	Yellowknife		Fort Smith		Hay River		Inuvik	
	Alone	Couple	Alone	Couple	Alone	Couple	Alone	Couple
	\$33,266	\$38,188	\$33,236	\$39,192	\$35,811	\$39,530	\$41,228	\$49,099

*Heating costs reflect amounts prior to application of fuel subsidy.

Calculation of After-Tax Income

For the purposes of this report, it is assumed that the reference households' only source of income is government programs. The reference households are assumed to access the programs reviewed in this section at the benefit levels described. Note that the NWT Senior's Society/GNWT *Seniors Information Handbook*⁵ provides further information on Government Income Programs for Seniors.

Canada Pension Plan – Retirement Pension and Survivor's Pension

For individuals that contributed to CPP in their working years, the retirement pension provides a taxable benefit with the full benefit accessible at age 65. The amount of benefit is dependent on a number of factors including how much has been contributed and for how long. The CPP survivor's pension is paid to the person who, at the time of death, is the legal spouse or common-law partner of the deceased contributor.

Online information about the CPP includes the average benefit amounts for new beneficiaries and maximum payment amounts in the first quarter of 2019 as shown in the table below.

Type	Average amount for new beneficiaries (\$)	Maximum payment amount (\$)
Retirement pension (at age 65)	664.41	1,154.58
Survivor's pension (65 and older)	302.01	692.75
Combined survivor's & retirement pension (age 65)	841.67	1,154.58

The average amounts in the table above are for all CPP recipients in Canada and therefore not necessarily reflective of the amounts received by NWT seniors in the NWT. The NWT Bureau of Statistics shared average CPP received by individual seniors in different NWT communities (see Appendix C). However, household data by family type (i.e. individual versus couple) aligns better with the scenarios used in the Living Income analysis as presented next. As shown in the review of income data on page 5, average or median income data for individuals generally cannot be doubled to reflect couple family income.

Statistics Canada tracks senior family income by source including CPP by province and territory. For the NWT, there is information available respecting the number of couple and non-couple senior families and total senior family income by source⁶. From this data it was determined that in 2016, CPP (or QPP) income averaged: **\$12,375 for couple households** with a senior; and **\$7,187 for non-couple households** headed by a senior. These values are used as estimates in the analysis. However, it should be kept in mind that many seniors living in low income would receive considerably less CPP than these average values.

⁵ Available at: <http://www.nwtseniorssociety.ca/wp-content/uploads/2018/05/Seniors-Information-Handbook-bilingual-version.pdf>

⁶ Statistics Canada. Table 11-10-0053-01 Sources of income of senior census families by family type and age of older partner, parent or individual.

Old Age Security Pension and Guaranteed Income Supplement

The Old Age Security (OAS) pension is available to seniors aged 65 and older who meet program requirements. The payment amount is determined by how long the individual has lived in Canada after the age of 18. It is considered taxable income and is subject to a recovery tax if individual net annual income is higher than the net world income threshold set for the year. OAS benefits include a Guaranteed Income Supplement (GIS) which is a monthly non-taxable benefit that may be added to the OAS pension.

Maximum OAS pension and GIS amounts for the first quarter of 2019 are⁷:

	Max. Monthly Payment amount	Max. Annual Income
OAS Pension	\$601.45	\$123,386 individual income
GIS – spouse does not receive OAS pension	\$898.32	\$43,728 (combined income)
GIS – single/widowed/divorced pensioner	\$898.32	\$18,240 (individual income)
GIS - Spouse/common-law receive full OAS pension	\$540.77	\$24,096 (combined income)

The relevant maximum amounts are used in the income calculations. (Higher income transfers will decrease the likelihood of an income shortfall compared to basic living costs, so this represents the most conservative approach.)

NWT Senior Citizen Supplementary Benefit⁸

The NWT Senior Citizen Supplementary Benefit (SCSB) provides non-taxable financial assistance to help low income NWT Seniors to pay for living costs. The program provides a monthly cash payment to low-income Seniors who are receiving the OAS and GIS (or the Spouse's Allowance) from the Federal Government. The SCSB monthly amount is \$196 per month.

Senior Home Heating Subsidy⁹

The NWT Senior Home Heating Subsidy (SHHS) provides financial assistance to NWT seniors (age 60 years or older), who own their own home or are renting a self-contained unit in the NWT and meet a financial income test¹⁰. Subsidy amounts vary by community.

Eligibility criteria:

- Resident of the NWT and age 60 years or older
- Own and occupy the home as his/her primary residence OR if renting, be the leasee of a self-contained unit where heating costs are not included in the rent
- Meet an approved household income test based on substantiated income
- Not receiving Income Assistance

⁷ <https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security/payments.html#tbl1>

⁸ <https://www.ece.gov.nt.ca/en/services/income-security-programs/nwt-senior-citizen-supplementary-benefit>

⁹ <https://www.ece.gov.nt.ca/en/services/programmes-de-la-securite-du-revenu/senior-home-heating-subsidy>

¹⁰ https://www.ece.gov.nt.ca/sites/ece/files/resources/shhs_policy_manual_-_april_2018.pdf

- No other person in the household is receiving the SHHS or fuel benefits through an alternate income security program

Benefit Levels:

- Yellowknife, Fort Smith, and Hay River (Zone 1) – \$2,700, Net Income Threshold \$56,000
- Inuvik (Zone 2) - \$3,600, Net Income Threshold \$64,000

Estimated Total Income After-Tax

Based on access to each of the above programs, the estimated before-tax Total Income of each reference household in each community is shown on the next page. Total Income After-tax is estimated by applying applicable federal and territorial tax credits and benefits.

Comparison of Total Income After-Tax to the Living Income Benchmarks and any resulting Income Gap is also presented.

Estimated Income and Living Income Benchmarks

		Yellowknife		Fort Smith		Hay River		Inuvik	
		Alone & Rental	Couple & Owned						
Estimated Actual Income	Reference Household								
	NWT SCSB	2,352	4,704	2,352	4,704	2,352	4,704	2,352	4,704
	NWT SHHS	2,700	2,700	2,700	2,700	2,700	2,700	3,600	3,600
	CPP pension(s)	7,187	12,375	7,187	12,375	7,187	12,375	7,187	12,375
	OAS Pension	7,217	14,434	7,217	14,434	7,217	14,434	7,217	14,434
	OAS GIS	10,780	6,489	10,780	6,489	10,780	6,489	10,780	6,489
	Total Income	30,236	40,702	30,236	40,702	30,236	40,702	31,136	41,602
Income After-Tax	30,437	41,422	30,437	41,422	30,437	41,422	31,337	42,342	
Living Income Benchmark		33,266	38,188	33,236	39,192	35,811	39,530	41,228	49,099
Income Gap		2,829	0	2,799	0	5,374	0	9,891	6,757

Location	Household Type	LI Benchmark	Total Income After-Tax
Yellowknife	Alone	33,266	30,437
	Couple	38,188	41,422
Fort Smith	Alone	33,236	30,437
	Couple	39,192	41,422
Hay River	Alone	35,811	30,437
	Couple	39,530	41,422
Inuvik	Alone	41,228	31,337
	Couple	49,099	42,342

Discussion

Living Income Benchmarks

Several patterns are seen across the eight scenarios. When comparing the household scenarios (Alone & Rental versus Couple & Owned) on a community basis, the Living Alone & Rental benchmark is always lower. However, the difference varies considerably by community. It is smallest in Hay River where the Alone & Rental benchmark is about \$3,700 below the Couple & Owned scenario. For Inuvik, on the other hand, where utility costs are estimated to be highest, the difference is almost \$7,900.

When comparing benchmarks across the communities, Inuvik has the highest values, by a significant margin, for both household scenarios. The lowest benchmarks for the Alone & Rental scenario occur in Fort Smith and Yellowknife (about \$33,000); for the Couple & Owned scenario, Yellowknife has the lowest benchmark (about \$38,000).

For all scenarios, shelter costs account for a large portion of overall basic living costs. For the Alone & Rental scenarios, shelter costs (rent, insurance, and power) represent the large majority of overall costs, ranging from 44% to 58% of total costs depending on the community. The total shelter costs from rent range from just over \$12,500 in Fort Smith to almost \$17,500 in Yellowknife. For the Couple & Owned scenarios, despite the assumption that there is no remaining mortgage, shelter costs (insurance and utilities) amount to almost one-fifth (Hay River and Fort Smith) to almost one third (Yellowknife) of total living costs.

Food costs also represent a significant portion of overall costs under all scenarios. For the Alone & Rental scenarios, food accounts for 11-14% of total costs depending on the community. For the Couple & Owned scenarios, the range is 19-24% of total costs. It is worth highlighting that for the Couple & Owned scenario in Inuvik, food costs surpass shelter costs (\$11,602 versus \$11,529).

Estimated Income

For each household scenario, the maximum amount of potential income transfers through government benefit and subsidy programs (Federal OAS and GIS and NWT SCSB and SHHS) are assumed. Since higher income transfers will decrease the likelihood and amount of an Income Gap (i.e. difference between the Living Income Benchmark and Total Income After-Tax), this represents the most conservative assumption.

With CPP amounts dependent on factors that will vary considerably across seniors (i.e. amount contributed and duration), NWT averages by family type (Couple and non-Couple) were used.

Under these assumptions, for all Alone & Rental scenarios Total Income and Total Income After-Tax is the same in Yellowknife, Hay River and Fort Smith and higher in Inuvik due to additional non-taxable benefit received through the SHHS (\$3,600 versus \$2,700 in the other communities). The same is true for all Couple & Owned scenarios.

Income Gaps

The Living Income Benchmark and Total Income After-Tax are compared to determine whether an Income Gap exists for each scenario. As shown on page 9, an Income Gap exists for Alone & Rented scenarios in each community. The Inuvik Income Gap comes in at almost \$10,000 and is the largest by a margin of just over \$4,500. For the Couple & Owned scenarios, Inuvik is the only community where an Income Gap results but it is substantive at \$6,757.

Based on the above discussion, living cost differences are the main driver behind the variation in Income Gaps across scenarios.

Conclusion

Seniors' Living Income, which is based on estimates of local living costs, can be used as an indicator of affordability. Comparing Living Income Benchmarks to reasonable estimates of Total Income After-Tax indicates whether households face an income gap and will, therefore, be unable to make ends meet.

This report estimates NWT Seniors' Living Income Benchmarks and Total Income After-Tax under two scenarios— a senior living alone in rental accommodation and a senior couple living in owned accommodation— across four NWT communities—Yellowknife, Fort Smith, Hay River, and Inuvik. The results indicate that an Income Gap exists for seniors living alone in rental accommodations in all communities as well as for senior couples living in owned accommodations in Inuvik.

The Living Income Benchmarks are based on local living costs reflective of a conservative spending including specific assumptions about budget inclusions and exclusions. However, for some seniors, additional spending may be unavoidable due to their individual needs. For example, some seniors may have physical impairments that require mobility supports or increased daily living expenses, specialized dietary requirements, and other expenses associated with needing more support as they age.

It is important to highlight that the estimated income levels used in the analysis reflect the maximum potential OAS and GIS payments and the statistical average of CPP payments for the NWT (2015 income reported in 2016). In reality, many seniors receive lower levels of benefit from these programs and have lower annual income levels. Statistics Canada data on NWT seniors' median personal income levels (see table at top of page 4) indicates that for the NWT overall median income (\$28,320) is even lower than the income level estimates used in the Living Alone scenarios within this report. These statistics clearly indicate that many NWT seniors have income levels below the Living Income Benchmarks. Further, the proportion will be highest in Inuvik where personal income levels are lowest and the Living Income benchmarks are highest.

With this in mind, many low-income Seniors that rely on government pension and benefit programs will face affordability challenges in the NWT's regional centres, particularly those that

live in rental accommodations and those living further north in Inuvik. Living cost-differentials for the NWT's smaller communities¹¹ suggest that affordability will be an even greater concern for Senior residents, particularly in the Beaufort-Delta region.

Where affordability limits the sustainability of independent living arrangements for Seniors, an increased number will seek out other options which, in turn, may result in greater demand for public housing and public seniors' living facilities. Although other factors such as housing supply also influence housing tenure statistics, affordability likely plays into the high proportion of Seniors already residing in subsidized rental housing in many of the NWT's more northern and/or remote communities.

The challenge facing policy makers is how to respond to the needs of the NWT's low-income Seniors who wish to live independently but face affordability challenges. The reality is that Seniors' incomes will not increase as they age but their living costs will likely rise as their health, mobility, and functioning declines. As a result, many low-income Seniors will face increasing pressure to make ends meet by foregoing basic needs and sacrificing quality of life. Preventing the tarnishing of what are meant to be Seniors' golden years seems like a goal that all NWT residents would rally around.

¹¹ See https://www.statsnwt.ca/prices-expenditures/living_cost_differentials/

Appendix A – 2017 NWT Market Basket Measures

	Housing	Transportation	Food	Clothing	Other	Total
Fort Smith	\$17,112	\$5,467	\$16,414	\$5,183	\$16,003	\$60,179
Hay River	\$20,200	\$5,551	\$16,885	\$5,145	\$16,324	\$64,105
Inuvik	\$22,578	\$4,853	\$21,930	\$5,116	\$20,041	\$74,519
Yellowknife	\$23,526	\$5,823	\$13,362	\$3,844	\$12,750	\$59,304

The MBM thresholds are calculated as the cost of purchasing the following items:

- A nutritious diet as specified in the 2008 National Nutritious Food Basket (Health Canada 2009).
- A basket of clothing and footwear required by a family of two adults and two children. A supplemental Northern clothing basket is collected.
- Shelter cost as the median cost of two- or three-bedroom rental units including electricity, heat, water and appliances.
- Transportation cost is calculated using a five-year-old Ford Focus on a five year lease including insurance, registration, licensing, gas and maintenance. Public transportation is used in other Jurisdictions.
- Other necessary goods and services.
- A car trip to Yellowknife is priced for Hay River and a trip to Whitehorse for Inuvik.

Source: NWT Bureau of Statistics

Appendix B - Cost Estimation Methods and Sources

Food

The NWT MBM data provides aggregate food costs for a household comprised of two adults and two children; further disaggregate data is not available. However, Edmonton food cost data is available by age range and sex including for seniors¹². Comparing NWT MBM food cost to Edmonton food cost for the same household composition provides food cost differentials for each community as follows:

- Yellowknife costs are 13.7% higher than Edmonton
- Hay River costs are 43.7% higher than Edmonton
- Inuvik costs are 86.7% higher than Edmonton

These cost differentials are applied to Edmonton food costs for seniors to determine food cost estimates for seniors each community.

Shelter

Rental: Based on CMHC's 2018 Rental Market Report¹³, the average rent¹⁴ charged for one-bedroom apartment units in Yellowknife was \$1,451/month. For Hay River and Inuvik, the differential between the Yellowknife MBM and the community's MBM for shelter is applied as a scaling factor to estimate annual rent. The cost of tenant's insurance was quoted for Yellowknife as \$235 and the same value is used for each community.

Ownership: It is assumed that there are no mortgage payments. Homeowner's insurance is based on 2017 SHS value for Yellowknife.

Utilities

Electricity: The Territorial Support Program evens out power costs for the same usage level across communities. However, usage levels typically vary by community. An informal survey of seniors was used to estimate these costs excepting Yellowknife where 2017 SHS data was used.

Water and Sewer: For rental scenarios, water and sewer costs are assumed to be included in rent. For homeownerships scenarios, cost estimates are based on an informal survey of residents of each community.

¹² See [https://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/sdd16768](https://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/sdd16768), For Edmonton in November 2018, average cost for a male over age 70 was estimated at \$67.91 weekly or \$3,531 annually and average cost of a female any age over 51 was estimated at \$51.61 weekly or \$2,684 annually.

¹³ Available at <https://www.cmhc-schl.gc.ca/en/data-and-research/publications-and-reports/rental-market-reports-canada-and-provincial-highlights>

¹⁴ Average rents presented in the CMHC Market Rental Report reflect rents charged by surveyed landlords. An informal survey of seniors in each community suggests that rent typically includes all utility except power.

Heating Fuel: For rental scenarios, these costs are assumed to be included in rent. For homeownership scenarios, an informal survey of seniors provided a range of actual amounts paid. Based on this information, conservative cost estimates were determined.

Property Taxes

In each community, seniors can qualify for a property tax rebate. In Fort Smith, Hay River and Inuvik, GNWT and municipal programs allow for a 100% property tax rebate for seniors. In Yellowknife, the maximum rebate is the lesser of 50% or \$2,000. The 2018 residential mill rates for Yellowknife (6.15 for property, 3.34 for education) were applied to an assessed value of \$425,000 to determine the property tax amount after the rebate.

Transportation

Alone & Rental: Cost estimates assume public transit use in Yellowknife (\$50/month or either a senior's bus pass or Yellowknife Accessible Transit Service pass). Taxi use is assumed for the other communities with pricing estimated at \$20 per round trip. The number of trips per year is assumed to be 100 or about 2 times per week on average.

Couple & Owned: Private vehicle ownership is assumed. The cost of ownership is based on NWT MBM transportation costing which is calculated using a five-year-old Ford Focus on a five-year lease including insurance, registration, licensing, gas and maintenance.

Health Care

Through its Extended Health Benefits program¹⁵ the GNWT program provides non-indigenous seniors¹⁶ with health benefits not covered by hospital and medical care insurance. There is coverage for eligible prescription drugs, dental services, vision care, medical supplies and equipment as well as benefits related to medical travel such as meals, accommodation, travel and ambulance services. The program is administered by Alberta Blue Cross (ABC).

The Metis Health Benefits Program and Non-Insured Health Benefits (NIHB) Program provide comparable coverage for Indigenous seniors. NIHB coverage is summarized below.

Benefit	Coverage	Description
Prescription Drugs	100%	Inclusion in NIHB Drug Benefit List or ABC authorization
Dental Services	100%	Inclusion in NIHB eligible services list
Vision Care	\$450	Eyeglass only (contacts only in limited circumstances) Every 24 months
Medical Supplies & Equipment		Prior approval generally required
Medical Travel		Prior approval

¹⁵ <https://www.hss.gov.nt.ca/sites/hss/files/seniors-program-extended-health-benefits.pdf>

¹⁶ Eligibility criteria include: 60 years of age and older; permanent NWT resident; valid NWT Health Care Card.

It is assumed that most health care costs are covered through these programs. A nominal amount of \$50 per month per person is included as an estimate of health-related costs not covered for non-prescription medicine and costs above plan limits.

Other Household Costs

These cost estimates are taken from the NWT MBM and include expenses related to household operations and maintenance and personal care. Statistics Canada's scaling factor for household size was applied to the MBM figures.

Contingency

In order to be prepared to pay for emergencies and unforeseen expenses, each household's budget includes a small contingency amount equivalent to 15% of other household costs per year.

Appendix C – Private Households by Tenure & Household Maintainer Age, 2016

	Total Hhlds No.	Owned Households						Rented Households					
		Total Owned		With mortgage		Without mortgage		Total Rented		Subsidized housing		Not subsidized	
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Northwest Territories													
Total 55 Years & Older	5,055	3,160	62.5	1,190	23.5	1,975	39.1	1,895	37.5	970	19.2	915	18.1
55 to 64 years	3,030	1,910	63.0	885	29.2	1,025	33.8	1,120	37.0	435	14.4	680	22.4
65 to 74 years	1,430	900	62.9	260	18.2	640	44.8	530	37.1	315	22.0	215	15.0
75 to 84 years	465	270	58.1	35	7.5	240	51.6	195	41.9	175	37.6	20	4.3
85 years and over	130	80	61.5	10	7.7	70	53.8	50	38.5	45	34.6	-	0.0
Inuvik													
Total 55 Years & Older	370	150	40.5	75	20.3	75	20.3	205	55.4	90	24.3	105	28.4
55 to 64 years	230	85	37.0	50	21.7	35	15.2	145	63.0	50	21.7	90	39.1
65 to 74 years	100	50	50.0	25	25.0	25	25.0	50	50.0	30	30.0	15	15.0
75 to 84 years	30	15	50.0	-	0.0	15	50.0	10	33.3	10	33.3	-	0.0
85 years and over	10	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Fort Smith													
Total 55 Years & Older	380	265	69.7	85	22.4	195	51.3	100	26.3	55	14.5	45	11.8
55 to 64 years	195	140	71.8	60	30.8	80	41.0	55	28.2	20	10.3	35	17.9
65 to 74 years	125	90	72.0	25	20.0	70	56.0	35	28.0	25	20.0	10	8.0
75 to 84 years	50	35	70.0	-	0.0	35	70.0	10	20.0	10	20.0	-	0.0
85 years and over	10	-	0.0	-	0.0	10	100.0	-	0.0	-	0.0	-	0.0
Hay River													
Total 55 Years & Older	550	395	71.8	165	30.0	230	41.8	165	30.0	90	16.4	65	11.8
55 to 64 years	310	225	72.6	110	35.5	115	37.1	85	27.4	35	11.3	50	16.1
65 to 74 years	165	120	72.7	35	21.2	85	51.5	40	24.2	30	18.2	15	9.1
75 to 84 years	65	40	61.5	10	15.4	30	46.2	30	46.2	25	38.5	-	0.0
85 years and over	10	10	100.0	10	100.0	-	0.0	10	100.0	-	0.0	-	0.0
Yellowknife													
Total 55 Years & Older	2,080	1,275	61.3	670	32.2	605	29.1	805	38.7	265	12.7	545	26.2
55 to 64 years	1,415	885	62.5	515	36.4	365	25.8	530	37.5	135	9.5	395	27.9
65 to 74 years	520	315	60.6	125	24.0	185	35.6	210	40.4	65	12.5	140	26.9
75 to 84 years	105	50	47.6	20	19.0	35	33.3	55	52.4	55	52.4	10	9.5
85 years and over	40	25	62.5	10	25.0	20	50.0	10	25.0	10	25.0	-	0.0

Source: NWT Bureau of Statistics

Appendix C – CPP Received by NWT Seniors, 2016

	Recipients (#)	Average Amount (\$)
Northwest Territories	2,870	7,429
Inuvik	220	7,455
Hay River	370	8,135
Fort Smith	270	8,148
Yellowknife	1,000	8,515

Source: NWT Bureau of Statistics