



Government of
Northwest Territories

**Government of the Northwest Territories Response to
Motion 74-19(2): Reconciliatory Review of Housing NWT's Collection Approach**

Motion

NOW THEREFORE I MOVE, seconded by the Honourable Member for Great Slave, that this Legislative Assembly calls upon the Government of the Northwest Territories to pause the garnishment of Elders and Indian Residential School survivors' pensions to pay for Housing NWT arrears immediately;

AND FURTHER, Housing NWT identify all Elders, age 60 and over, and consenting Indian Residential School survivors in public housing who currently owe arrears or who are having their pensions garnished;

AND FURTHER, Housing NWT implement the principles of the Collections Policy and develop a strategy by the 2023-2024 fiscal year to determine the feasibility and reasonableness of collecting arrears from Elders and Indian Residential School survivors;

AND FURTHER, in an act of reconciliation, Housing NWT forgive arrears that cannot be collected despite demonstrated effort for Elders and Indian Residential School survivors;

AND FURTHER, the Government of the Northwest Territories provide a response to this motion within 120 days.

GNWT Response

Housing Northwest Territories does not garnish the pensions of any of its clients. Housing NWT does not have the legal authority to conduct this activity and is not pursuing any policy or legislative changes that would allow it to do so.

At the time Housing NWT's legacy mortgage programs were introduced, information concerning age and Indian Residential School Survivor status was not a requirement. As such, this information on rental and mortgage arrears is not readily available. Housing NWT's Collection Policy principles require fair and consistent application to all mortgage clients and tenants, which includes those over the aged of 60 and Residential School Survivors.

Additionally, data is not collected that allows Housing NWT to identify Residential School survivors when accessing programming. Housing NWT supports the intent of the motion in this regard but does not currently collect data that would allow for implementation.

Each year, Housing NWT participates in a government wide process, coordinated by the Department of Finance, to identify debts that satisfy the requirements of the FAA for debt forgiveness. These debts are then brought forward to the Financial Management Board ('FMB') for forgiveness approval.

During collection action on debts owing to the GNWT, circumstances arise which indicate that certain debts owing to the GNWT are unlikely to be collected. Section 62 of the Financial Administration Act (FAA) & "Forgiveness and Remission of Debt" policy 640 of the Financial Administration Manual (FAM) describe the required process to forgive such debts. This process requires approval by FMB and prior to debts being considered for forgiveness, departments and agencies must demonstrate that all possible economical means have been taken to collect the debt owing to the government.

GNWT's Financial Administration Manual (Policy 640) provides the criteria where debts may be considered for forgiveness. In recent years, Housing has carefully reviewed files each fiscal year and has brought forward those files where it is unlikely that continued collection actions will net any results and these are primarily situations where the debtor is deceased, has declared bankruptcy or where based on the department's efforts the debts are deemed uneconomical to pursue

Over the past three years (2020-2021 and 2022-2023), 419 of Housing NWT's debt files have been approved by FMB for forgiveness. This represents a total debt forgiveness amount of over \$20 million.

Housing NWT will continue to regularly review all arrears accounts and make every effort to assist our mortgage clients and tenants in addressing their arrears, including the possible introduction of new programs early in the new Assembly that will help to expedite the repayment of these remaining debts or pursue forgiveness in alignment with the appropriately approved policies.