



News Release

Finance and Administration Minister responds to CRTC announcement

IQALUIT, Nunavut (December 1, 2000) – Finance and Administration Minister Kelvin Ng said the Canadian Radio-television and Telecommunications Commission has taken a middle-of-the-road approach in its decision on NorthwesTel's service proposal.

"While we are pleased to see the reduction in long distance rates that will benefit many families and businesses, we are disappointed to see another increase in the local charges," Minister Ng said. "In addressing the CRTC hearing last June, we made it quite clear that many Nunavut families cannot take advantage of the long distance savings and would have difficulty paying any increase in the local residential rate."

Yesterday, the CRTC approved a plan to change NorthwesTel rates for telephone services across the North. Based on this plan, residential long distance rates will be reduced; however, the CRTC also granted NorthwesTel an increase of \$3 per month for local residential service charges. The CRTC also approved lower long distance rates for businesses and an increase of \$5 per month for local business phone service.

Minister Ng added that many Nunavut organizations and individuals presented views to the CRTC.

"Nunavut's views were not ignored," Minister Ng said. "The CRTC's decision did take our concerns into consideration by limiting the increase requested by NorthwesTel. However, we are still concerned about the impact the increase will have on lower-income families, particularly those who only use local service."

The CRTC decision also opens the door for long distance competition in the North that could have further long-term benefits for Nunavut. These rate changes are also expected to result in a net savings to government operation, though officials are unable to estimate these savings at this time.

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