

Nunavut Housing Trust Delivery Strategy



Prepared by the Nunavut Housing Corporation

October, 2006 (Final)

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1. Executive Summary

The Northern Housing Trust, created by the Government of Canada in 2006, provides Nunavummiut with important opportunities to develop local economic and labour force capacity and to increase self-reliance in communities. Nunavut's share of the Housing Trust, \$200 million, will be used by the Government of Nunavut (GN), through the Nunavut Housing Corporation (NHC), to build 700 to 750 affordable units across the territory over the next three fiscal years.

The Government of Canada's \$200 million investment in new affordable housing for Nunavut indicates a growing recognition that multi-year, federal funding and flexible program parameters are essential to make significant progress toward ending the territory's housing crisis.

In the short-term, the addition of good quality units through the Housing Trust will offer some relief for Nunavummiut struggling with the housing shortages and overcrowding that impact on the productivity and wellbeing of all Nunavut communities.

In the longer-term, the delivery of several hundred units over a multi-year horizon has the potential to secure lasting socioeconomic benefits for Nunavummiut. It is clear that an investment in one priority, such as housing, has positive impacts on broad GN goals such as Healthy Communities, Self-Reliance and Continuing Learning. Specifically, a dependable schedule of housing construction creates ongoing opportunities for local employment, training, apprenticeship and business development. By taking full advantage of these opportunities for personal and economic growth, Nunavummiut have the power to make a positive contribution to the current and future health and vitality of their communities.

This delivery strategy outlines the GN's vision that increased local economic capacity and the growth of a skilled, resident labour force are long-term outcomes of the Housing Trust investment. To achieve this vision, GN departments and agencies need to work across mandates, in partnership, on planning, implementation, communications, monitoring and reporting activities. A Deputies' Steering Committee and Senior

Officials' Working Group have been formed to guide and operationalize these activities. Detailed implementation plans, as well as a communications plan, will be developed as a complement to the strategic path presented in this document¹.

As part of the delivery strategy, the NHC proposes several fresh approaches and changes in many areas of housing provision, including community-based delivery mechanisms and labour-only contracts. These changes will be monitored and refined over the course of Housing Trust delivery, in consultation with appropriate departments, agencies and local partners. In particular, the NHC will call on the expertise of the Local Housing Organizations (LHO) to test the effectiveness of new approaches at the grassroots level.

Some of the proposed changes include:

- Focusing, for the first two to three years of delivery, on the construction of the cost-effective and newly designed NHC five-plex (5-plex) which contains two-bedroom units. The five-plex has many energy efficient and culturally-sensitive design features, including excellent insulation, two exits, and a country food storage and preparation area;
- Tendering for and procuring construction materials in bulk, by groups of commodities, to increase competitiveness and cost-savings;
- Utilizing a spectrum of community-based delivery mechanisms to ensure local involvement in all construction activities;
- Splitting the construction season into two stages, with a break during the coldest winter/spring months for academic training; and
- Changing labour-only contracts to reflect a maximum nine (9) hour workday on site and a higher rate of remuneration based on an established pay range. Labour-only contracts will also contain requirements to hire and train labourers and apprentices and maintain low mentor-to-learner ratios.

The GN has identified several objectives to focus the efforts of all participating departments and agencies involved in delivering key components of the delivery strategy. These objectives are firmly grounded in the *Inuit Qaujimajatuqangit* (IQ) principles of

¹ For further details, refer to Section 12, "Next Steps."

Pilimmaksarniq/Pijariuqsarniq – development of skills through practice, effort and action, and *Qanuqtuurniq* – being innovative and resourceful.

The objectives, in no particular order, are:

1. To support the construction of approximately 700 to 750 new public housing units in Nunavut using capital funding available through the Nunavut Housing Trust;
2. Where demand exists, to utilize Housing Trust funding together with territorial resources in order to provide additional affordable homeownership units through new or existing programs;
3. To develop community-specific housing profiles that include information on local housing needs, training requirements, economic development opportunities and community land and municipal services capacity;
4. To leverage Housing Trust funding to build local capacity, including through community-based housing delivery mechanisms and targeted education and training plans which enhance the skills of individuals and businesses;
5. To pilot an innovative construction delivery model that emphasizes on-the-job training, expanded apprenticeship opportunities and community-based delivery mechanisms as appropriate²;
6. To support the completion of training for approximately 35 to 40 new trades-people (Housing Maintenance Servicemen or other journeypersons), who will be engaged in the long-term maintenance of housing units in Nunavut;
7. To assess and make ongoing improvements to the delivery strategy in order to maximize the positive impact of the funding and ensure strong linkages with related government programs and strategies; and
8. To collaborate and partner, across departmental and agency lines, on efforts to achieve the objectives of the Housing Trust with a view toward securing long-term benefits for Inuit.

It is recognized that the Housing Trust delivery strategy is a living document that will evolve over time with lessons learned. In addition, the delivery methods utilized in communities may change from year to year as local stakeholders gain the capacity for greater involvement in construction projects.

² This delivery model also includes changes to the way the NHC tenders and procures materials and changes to NHC labour-only contracts. For further details, refer to Section 7, “Construction Delivery.”

Successful achievement of Housing Trust objectives will bolster Nunavut's case for further federal investments in housing, provide permanent jobs, promote skill development, and act as a springboard toward future economic growth in sectors such as mining and tourism. In addition, it is expected that the delivery of the Housing Trust will complement the implementation of related government initiatives, including the Adult Learning Strategy, training components of the Mining Strategy, and the Nunavut Trade School.

2. Introduction

a. Preamble

Nunavut is facing a well-documented housing crisis. Required actions to begin addressing the staggering need were clearly outlined in a 10 Year Inuit Housing Action Plan presented to the federal government in the fall of 2004. The Action Plan, jointly authored by the GN, through its representative the NHC, and the Nunavut Tunngavik Inc. (NTI), presents an evidence-based case for a sustained federal intervention into the housing crisis. This crisis is experienced most acutely by Inuit living in public housing accommodation.

Determined advocacy efforts by Nunavut Premier Paul Okalik, Minister Olayuk Akesuk, previous territorial ministers responsible for housing, and representatives from both NTI and the Inuit Tapariit Kanatami (ITK) achieved unprecedented results: two years after the Action Plan's completion, a multi-year federal investment in affordable housing for Nunavut was secured. In May 2006, the Government of Canada announced it would be creating a \$200 million Housing Trust specifically dedicated for the creation of new housing in the territory.

The GN immediately directed the NHC to increase its housing material supply tenders for the upcoming construction season. This action will result in new public housing five-plexes for nearly every community in 2007.

However, it is the GN's intention to capture important benefits for Nunavummiut beyond the vital addition of much-needed new units. Multi-year housing production provides opportunities for longer-term planning in which sustainable labour force development and training, local economic capacity-building, and economies of scale in project management, procurement and logistics are possible. For the GN, making the most of these opportunities in an efficient, coordinated and realistic fashion is as much a desired outcome of the Housing Trust as providing new, affordable housing.

Although construction of new public housing stock will be the primary means of increasing supply, the NHC will also consider funding the construction of affordable homeownership units through new or existing programs, including the Material Assistance Program. In addition, “one-off” opportunities to acquire suitable units will be considered on a case-by-case basis.

The Financial Management Board (FMB) has directed the NHC to act as the lead agency for delivery of the Housing Trust, and to form a Deputy Ministers’ Steering Committee. A Senior Officials’ Working Group with representatives from several GN departments and NTI has also been created. These groups have met over the summer and fall of 2006 to help define the key elements of this delivery strategy for presentation to FMB.

The NHC views the delivery strategy for the Housing Trust as a living document which is guided on paper and in practice by the principles and values articulated in *Pinasuaqtavut 2004-2009*. Several key objectives linked to these principles and values have been identified to focus the efforts of all participating agencies and departments.

b. Objectives

1. To support the construction of approximately 700 to 750 new public housing units in Nunavut using capital funding available through the Nunavut Housing Trust;
2. Where demand exists, to utilize Housing Trust funding together with territorial resources in order to provide additional affordable homeownership units through new or existing programs;
3. To develop community-specific housing profiles that include information on local housing needs, training requirements, economic development opportunities and community land and municipal services capacity;
4. To leverage Housing Trust funding to build local capacity, including through community-based housing delivery mechanisms and targeted education and training plans which enhance the skills of individuals and businesses;
5. To pilot an innovative construction delivery model that emphasizes on-the-job training, expanded apprenticeship opportunities and community-based delivery mechanisms as appropriate;

6. To support the completion of training for approximately 35 to 40 new trades-people (Housing Maintenance Servicemen or other journeypersons), who will be engaged in the long-term maintenance of housing units in Nunavut;
7. To assess and make ongoing improvements to the delivery strategy in order to maximize the positive impact of the funding and ensure strong linkages with related government programs and strategies; and
8. To collaborate and partner, across departmental and agency lines, on efforts to achieve the objectives of the Housing Trust with a view toward securing long-term benefits for Inuit.

c. Linkages to *Pinasuaqtavut 2004-2009*

Two guiding principles outlined in *Pinasuaqtavut 2004-2009* capture the spirit behind the proposed community-focused delivery of new housing: *Pilimmaksarniq/Pijariuqsarniq* – development of skills through practice, effort and action, and *Qanuqtuurniq* – being innovative and resourceful.

Pilimmaksarniq/Pijariuqsarniq

Apprentice trades-people and Inuit/Nunavut companies each require tangible, ongoing opportunities to develop their skills and capacity. Multi-year housing construction provides such opportunities for “practice, effort and action.” The new construction delivery model proposed by the NHC recognizes the potential of Inuit workers and Nunavut businesses, and the multi-year planning horizon of the Housing Trust enables the GN to refine its efforts to support the development of strong, local businesses and skilled workers through practical experience.

Qanuqtuurniq

The NHC has, since its creation, approached housing as an important investment in local economies and people. Now, the Housing Trust provides the NHC with sufficient resources to mount an innovative, multi-year program of economic development and trades-training which establishes a new standard of inter-departmental and inter-agency cooperation. The challenges of coordinating multiple initiatives and resources across department lines are evident; however, all participating groups are committed to finding

resourceful ways to make the most of existing programs and services in support of Housing Trust objectives.

Pilimmaksarniq/Pijariuqsarniq and *Qanuqtuurniq* underpin the delivery strategy for the Housing Trust and provide a solid foundation for meeting various targets under the four main GN goals of Healthy Communities, Simplicity and Unity, Self-Reliance and Continuing Learning. Several linkages between key elements of the delivery strategy and these targets are detailed below, and will be re-visited as the strategy is implemented.

Healthy Communities

A fundamental building block of healthy communities is access to housing that meets the key criteria of adequacy, suitability and affordability. To be adequate, housing cannot be in need of major repair; to be suitable, it must not be overcrowded according to the National Occupancy Standards; and, to be affordable, it must cost a maximum of 30% of a household's pre-tax income.

Housing which meets the criteria assists in reducing negative health and societal effects, helps students and workers be productive, and provides a safe environment for people to raise their families. The construction of 700 to 750 new units through the delivery of the Nunavut Housing Trust directly supports increased access to such housing.

Simplicity and Unity

The successful implementation of Housing Trust objectives depends on multiple departments and agencies to coordinate their effort and resources. Each GN department and agency that sits on the Housing Trust Deputy Ministers' Steering Committee and Senior Officials' Working Group has a role to play, and also a responsibility to find workable strategies that take the big picture into account. Through coordination, complementary action, strong inter-departmental and inter-agency liaison, and ongoing evaluation and modification of delivery components, the implementation of the Housing Trust delivery strategy will support the priorities of simplicity and unity.

Self-Reliance

The GN's vision for the Housing Trust is that the \$200 million investment in new housing will leave long-term benefits in Nunavut communities. Developing the potential of people and the capacity of local businesses goes to the heart of self-reliance.

Nunavummiut need appropriate housing to be healthy and productive, and healthy and productive people are needed to build appropriate housing and keep it well-maintained. The \$200 million investment in new affordable housing provides a crucial starting point for increased self-reliance in all of Nunavut's communities.

Continuing Learning

A cornerstone of the delivery strategy is training and skill development for Nunavummiut. Local people who are ready to commit their skills and energy toward a career in trades, or toward new enterprises that support the housing industry, will have access to excellent opportunities for ongoing learning that fits with their goals and abilities.

3. Environmental Scan

a. Turning the Corner: Nunavut's Housing Crisis

Nunavut is locked in a severe housing crisis. According to NHC occupancy statistics, over half of the territory's population lives in approximately 4,000 public housing program units. Statistics gathered in the 2001 Aboriginal People's Survey indicate 54% of Inuit in Nunavut, who make up over 95% of public housing tenants, live in overcrowded conditions.

Additional data from Canada Mortgage and Housing Corporation (CMHC) indicate that 38.7% of all Nunavut households are considered in Core Need, meaning they do not live in and cannot access acceptable housing.³ By comparison, nationally 15.8% of

³ CMHC. (2001). *Research Highlight: Geography of Household Growth and Core Housing Need*.

households are in Core Need. Acceptable housing is defined as housing that meets the criteria of adequacy, suitability and affordability.⁴

If the subsidies that are provided to every dwelling unit in the territory – whether through adjusted power and fuel rates, subsidized rents in public or staff housing, or various forms of homeownership assistance – were removed or factored out, all but the most affluent Nunavummiut would have issues with affordability. In this scenario, the Core Need percentage for Nunavut households reported by CMHC would rise from a current, deplorable 38.7% to well over 90%.

Sobering recent data on the health implications of unacceptable housing are also a cause for serious concern. Poor housing has potential linkages with a range of health issues, including increased likelihood of transmission of infectious diseases such as tuberculosis and hepatitis A, as well as increased risk for injuries, mental health problems, family tensions, and violence and victimization.

Specific research projects conducted in Nunavut are adding to knowledge about how housing impacts on health. Studies initiated in 2003/2004 pointed to a relationship between indoor air quality and the high incidence of severe respiratory tract infections in Inuit infants living in the Qikiqtaaluk region.⁵ Another study in 2006 suggested that overcrowding and the material circumstances of housing units observed in one Nunavut community, Cape Dorset, contribute to negative mental and physical health effects, as well as to broader societal issues such as family violence.⁶

The housing situation in Nunavut worsens daily due to the demands of a population with a birth rate twice the national average⁷ and the pressures of an aging supply of existing units. At present, an estimated 3,000 units are required to bring Nunavut occupancy

⁴ For definitions of these criteria, refer to page 10.

⁵ Creery D., Dales R., Fugler D., Kovesi T., Miller J.D., Randhawa N., Thompson B. (2005). *Indoor air quality risk factors for severe lower respiratory tract infections in Inuit infants in Baffin Region, Nunavut, Canada: A pilot study*. Proceedings of the American Thoracic Society, Abstracts Issue, Volume 2, 2005, Page A696.

⁶ Tester F. (2006). *Iglutaq (in my room): The implications of homelessness for Inuit*. Cape Dorset: Harvest Society of Kinngait.

⁷ Statistics Canada. (2001). *Canada Census*.

levels to Canadian standards, and a further 274 units are needed per year to keep pace with population growth.

As the 10 Year Inuit Housing Action Plan details, housing has been a chronic problem affecting the lives of Inuit for nearly half a century. The nature of the housing situation in Nunavut is shaped by a range of well-known environmental and socio-economic factors that add cost and complexity to housing construction unlike what is experienced in southern Canadian jurisdictions.

Many of these factors are static: for example, the lack of trees for lumber, the harsh Arctic climate and the fact that Nunavut's 25 small communities are scattered over a fifth of Canada's land mass with neither roads nor rails connecting them. However, some of these factors – such as the scarcity of Nunavummiut who are ticketed trades-people, or the lack of local construction companies in many communities – can be gradually improved through targeted efforts.

Speculative private sector housing production in the territory is minimal due to the challenges and expense of construction in an isolated, northern setting. This fact, together with the existence of fewer alternative financing options, underdeveloped infrastructure systems, and other issues, make the creation of new housing-supply heavily dependent on public sector involvement.

Thus, the policies of the federal government – both past and present – have enormous impact on the housing situation in Nunavut. From the 1960's to approximately 1993, ongoing federal involvement in the provision of social (public) housing reflected the unique challenges faced in the territory. The results of this involvement are apparent today: approximately 3,200 of the territory's 4,000 social housing units are financed by CMHC. CMHC also subsidizes operations and maintenance (O&M) expenses, which in the north is critical given the high cost of fuel and utilities, and given the accelerated rate that housing deteriorates in a harsh arctic environment.

Housing was not included in the provisions of the Nunavut Land Claims Agreement in 1993 as was proposed by the territorial negotiating team, but soon after the Agreement was finalized, the federal government announced it was withdrawing from the provision of new social housing, as well as planning to phase out its subsidies for operating and maintaining existing units.

The Social Housing Agreement between NHC and CMHC is based on the transfer of the complete stock of 3,200 social housing units, as assets, in exchange for a gradual decrease in O&M funding over time. Once mortgages come to a close, the O&M funding tied to those mortgages stops.

In Nunavut, the withdrawal of federal funding for new and existing social housing units – in the absence of any other significant sources of housing – was a devastating blow. Unlike previous changes in federal policy regarding social housing, no provision was made for the north or for the Inuit of Nunavut.

Currently, the NHC estimates the operation and maintenance costs of one social housing unit at \$20,000 per year. By 2037, all federal subsidies under the Social Housing Agreement will have disappeared. At present, the wage economy in most Nunavut communities is underdeveloped, and lack of employment and economic development opportunities contribute to keeping individual and household incomes low. The NHC cannot expect to recoup any of its escalating operations and maintenance costs through rental increases, nor can the majority of public housing tenants afford to make the leap from subsidized rental units to homeownership without significant levels of government assistance to handle initial and/or ongoing costs.

Independent homeownership in Nunavut is hindered by a number of the same factors that discourage private sector involvement in speculative construction: for example, the high cost of materials that must be shipped by air or sea, and the absence of available contractors or developed lots in some communities. Even if these initial barriers are overcome, homeowners must cope with very high shelter costs. Current data from the

NHC indicate that private homeowners pay, on average, about \$630 per month to cover fuel, water, garbage, power, insurance, maintenance, and land lease fees.

In recent years, federal initiatives such as the Affordable Housing Program through CMHC, and the Strategic Infrastructure Fund through Infrastructure Canada, have offered welcome investments in new capital housing construction for Nunavut. However, typically the territory has struggled within the restrictions of these relatively limited sources of new funding which are frequently constrained by per-capita distribution formulae and other criteria ill-suited to northern realities. In addition, O&M funding is required for every new unit constructed, further straining Nunavut's fiscal resources.

The NHC, through the GN, has unilaterally funded the addition of about 430 new public housing units since its establishment as a corporation in 2000, and invests about \$5 million annually for capital improvements to existing units. In addition, the NHC has constructed an additional 194 incremental staff housing dwellings, and provides a range of assistance programs to new and existing homeowners.

However, the financial burden of operating existing units, maintaining them at adequate health and safety standards, and building new units far exceeds the capacity of territorial resources. Together with NTI, the GN through the NHC crafted the 10 Year Inuit Housing Action Plan in 2004 as a fact-based business case for federal intervention into the territory's housing crisis.

The \$200 million investment announced in May of 2006 is a long-awaited federal response to the evidence outlined in the Action Plan, and will fund the construction of approximately 700 to 750 new units – welcome relief, but relief that addresses only a fraction of the need. Indeed, the \$200 million Nunavut Housing Trust is viewed by the GN as a down-payment on the estimated \$1.9 billion required over the next ten years to keep pace with population growth, to tackle the backlog of demand, and to renovate existing units in need of modernization and upgrades.

b. Housing: An Investment in Economic & Labour Force Development

Turning the corner on the housing situation in Nunavut will take a significant shift in thinking at the federal, territorial and community levels. To maximize the positive impact of additional housing funding, the construction of new units must be viewed as the source of critical opportunities for training, community-based delivery, and local economic development.

The federal government has signaled the beginning of this shift in focus by providing major multi-year funding for new affordable housing in Nunavut through the Housing Trust. However, advocacy efforts by the GN, NTI and ITK are necessary to sustain forward momentum. One-off solutions are not an option: the federal government has moral, constitutional and fiduciary obligations to provide housing for Inuit, and further positive actions and investments must be encouraged.

Indeed, investments in housing for Nunavummiut create positive spin-off benefits for the national, as well as the territorial economy. This is because the vast majority of materials, equipment and technical support services for Nunavut construction projects are typically procured from southern suppliers, and there are numerous “downstream” benefits in sectors such as shipping.

At the territorial level, the GN will take coordinated steps through the delivery strategy to enhance Nunavut’s economic and skills base so that Nunavummiut can gain the greatest long-term benefit from the current federal housing investment. Successful delivery of Housing Trust funding is also an opportunity to establish a track record of construction capability that will strengthen Nunavut’s case for further federal housing investments. In addition, it is a vital opportunity to improve Nunavut’s homegrown capacity and over time, save housing costs related to the import of construction expertise and labour.

The multi-year planning horizon for the Housing Trust funds will permit the NHC to pilot an innovative construction delivery model. This model will introduce changes to tendering, contracting and procurement, as well as support longer-term apprenticeship

opportunities. The Housing Trust provides a unique opportunity to test this delivery model over time, refine it, and collect data to aid in the future development of government contracts. It is important to note that the NHC will not be altering its contracting procedures for other ongoing capital activities such as Modernization and Improvement (M&I) projects, but is simply leveraging the \$200 million to mount a pilot of a new model. Established NNI⁸ procedures will continue to apply under the new model and in all NHC contracts.

At the local level, communities have long emphasized the need for increased grassroots involvement in housing delivery, and for measures to ensure that the benefits of construction stay in communities. For example, the Building Connections in Nunavut Trends Report, released in May of 2006, documents the results of extensive consultations across Nunavut on broad topics related to the future of housing in the territory. One message repeatedly heard in every community was that local people and businesses were ready and eager to increase their participation in all aspects of housing construction.

The NHC is well positioned, with its Local Housing Organizations (LHO) and its district offices, to encourage such participation. LHOs operate in every Nunavut community and are an integral part of the NHC's operational success, bringing a high level of expertise and cultural sensitivity to a wide range of housing activities. Through close consultation with both local leadership and LHO partners, the NHC will work towards community-specific housing delivery that reflects local goals for capacity-building.

⁸ NNI is the abbreviation for “Nunavummi Nangminiaqqtunik Ikajuuti” or “NNI Policy.” This policy outlines the GN's business incentive program for Nunavut and Inuit companies. For more information on NNI, visit <http://www.gov.nu.ca/Nunavut/policies/ennia20.pdf>

4. Community-Specific Housing Profiles

In support of Housing Trust delivery, the FMB directed the NHC to conduct community consultations. These consultations were initiated in the summer of 2006, and will continue throughout the delivery of the Housing Trust. The end-result will be community-specific housing profiles that accurately detail local needs and capacity in a number of areas.

Some of these areas may include:

- Local businesses with an interest in bidding for construction contracts or providing related services;
- The training and supports that may be required for local businesses to build the knowledge necessary to successfully bid for contracts and meet contractual obligations;
- Ways for the community to recruit and encourage labourers and apprentices as they work towards their training goals;
- Demographic pressures aside from those documented by wait-list and Census statistics; and
- Specific housing needs that may be met in the latter years of delivery (e.g. seniors' four-plexes, barrier-free units, etc.).

A table containing basic community information collected in the summer and fall of 2006 is included as Appendix F. Ongoing communication amongst the NHC, LHOs, community stakeholders and other GN departments will be vital to ensure community profiles are enhanced and kept current throughout the delivery of the Housing Trust.

5. Financial Considerations

An estimated 700 to 750 units will be delivered under the \$200 million Housing Trust, at an approximate cost per unit of \$275,800. This cost estimate is based on the assumptions that the majority of the units delivered will be multiplexes, and that the cost of material, freight, land/site development and labour will remain equal to 2006/2007.

If overall costs rise significantly, the total number of units may decrease. If this occurs, the NHC will ensure adjustments are made fairly, in proportion to the original allocations of units approved for each community by FMB. These approved community allocations are detailed in Appendix A.

A forecast of the NHC's cash-flow requirements for construction of the new units is provided in Appendix B.

a. The Rationale for Multiplexes

The majority of Nunavut communities report a “bubble” of need for smaller units. This need is evidenced by both anecdotal data and current public housing waiting lists. Seniors, single people, young couples, and other small families represent a large proportion of those waiting for units, and in some communities, people wanting a one or two-bedroom unit have waited over a decade. Building multiplexes of primarily two-bedroom units is an important step toward addressing overcrowding and “doubling up” in larger units where, for example, adult children with partners still live in their childhood home with their parents and their siblings’ families.

Multiplex housing units are also the most cost-efficient unit type to construct. During the first two-three years of delivery, the NHC will focus on delivering duplexes, five-plexes and ten-plexes to gain maximum benefit from the Housing Trust funding. This will make an immediate impact on overcrowding and waiting lists across Nunavut.

However, the NHC recognizes that the needs of larger families and other demographic groups are no less significant. In the latter phases of Housing Trust delivery, communities will be consulted to help identify other unit types and configurations that will best meet specific local requirements, including seniors' four-plexes and barrier-free units.

The NHC often hears that single-family dwellings are the preferred choice for new units. However, the current cost of one single-family dwelling is approximately \$350,000 – and this price-tag is expected to increase. The pressures of overcrowding and long public housing waiting lists make it difficult to justify the expenditure of such a large sum for a single new unit. The NHC will continue to explore ways to improve the design of its multiplex units, and will consider a limited delivery of single family dwellings in the concluding year of Housing Trust delivery.

b. Incremental Cost Estimates

As funds available through the Nunavut Housing Trust are earmarked for the capital construction costs of affordable units, additional funding for incremental personnel and training activities will be required. These costs are itemized in Appendix C. If additional incremental costs arise as a result of Housing Trust activities, departments and agencies will prepare forced growth substantiation for the consideration of the FMB.

In terms of training activities, the Department of Education in cooperation with the NHC and other members of the Working Group will investigate opportunities to partner with regional Inuit organizations, federal departments and other stakeholders who may have an interest in promoting apprenticeship and trades training in the territory. This work will be ongoing, and it is expected that third party funding may only become a possibility in the final phase of Housing Trust delivery.

A department-by-department description of “pressure points” on existing budgets and forecasted incremental costs follows.

Nunavut Housing Corporation (NHC)

The NHC will require annual forced growth funding to cover operating and maintenance (O&M) costs for incremental units through the established Main Estimates process.

As a longer-term approach to reducing the operating expenses of public housing units, the NHC is actively working with CMHC to develop and test new energy efficient technologies and modifications appropriate for northern homes. Discussions on a potential pilot project to test an innovative, energy efficient northern home are currently taking place. The insulation used in both the new NHC five-plex design, and the standard Material Assistance Package (MAP) design, exceeds the National Model Energy Code by a full 25%.

In addition to ongoing forced growth requests for O&M costs, the NHC requires additional human resources to facilitate the administration, evaluation and community-level management of Housing Trust resources and activities. Job descriptions are currently being developed for two (2) new term employees:

Coordinator of Community Delivery

The incumbent will support district offices and LHOs in successfully coordinating the variety of labour-delivery methods which will be pursued simultaneously across the territory. The incumbent will also serve as a key point of contact for regional GN staff working to support training and other key activities related to the Housing Trust objectives.

Senior Finance Officer

The incumbent will ensure proper internal accounting controls are in place in accordance with the *Financial Administration Act* and other applicable legislation and procedures. The incumbent will also establish and manage reporting mechanisms to capture and analyze data on various Housing Trust activities.

To properly implement the expanded housing delivery proposed in this strategy, as well as to effectively monitor and evaluate the success of various strategic activities, these

additional employees are essential. The positions described will assist the NHC in successfully capturing information from construction and training activities, assessing those activities against established indicators, liaising with other departments and agencies to gather and cross-check information, and making improvements as necessary.

In coordination with CGS, the NHC is currently determining if there will be additional human resource requirements for procurement and logistical support positions to assist in the delivery and monitoring of material supply. If additional requirements are identified, the NHC will submit substantiation to the FMB for review.

Likewise, if the NHC identifies the need for additional project management support at the community level, or for inspection services at the district level, FMB approval for incremental funding will be sought.

Other significant incremental costs anticipated by the NHC relate to the provision of training opportunities for two distinct groups involved in Housing Trust construction projects: labourers and apprentices.

Labourers are workers who have met the initial intake requirements of the NHC⁹ and who have achieved a minimum percentage on the Trade Entrance Exam. This minimum will be set by the NHC after further analysis. Over the course of Housing Trust construction delivery, many of these workers will choose to upgrade their skills and progress toward apprenticeship by enrolling in a pre-trades course.

Apprentices are workers who have received a score of at least 70% on the Trade Entrance Exam, as well as the recommendation of a Department of Education Career Development Officer (CDO), and who have found an employer. An apprentice is registered by the Registrar of Apprenticeship and requires both supervised, on-the-job experience and passing grades on the various levels of technical training for a particular trade in order to be licensed as a journey person.

⁹ For further information, refer to Section 8(a), "Intake & Training for Labourers & Apprentices."

The NHC forecasts incremental costs to fund both pre-trades courses for labourers, which will likely be delivered by NAC under contract, and technical courses for apprentices.

NAC's current budget will fund the delivery of ten (10) pre-trades courses across the territory in 2006/2007. Approximately ten (10) *additional* course deliveries are needed to support Housing Trust objectives in 2006/2007, and approximately 30 additional course deliveries will be required in subsequent years. The NHC requires incremental funding to contract NAC for the provision of these additional courses.

In terms of technical training for apprentices, currently, NAC only offers such courses for the carpentry trade, and is subject to third party funding. All other technical courses for apprentices are offered by schools that are out-of-territory. The NHC is responsible for seeking incremental funding to contract NAC for the carpentry course offerings.

Department of Education

The Department of Education is currently investigating how to best address the training and skill development requirements of the Housing Trust delivery strategy within its current mandate and with a view toward complementary activities proposed in the recently-developed Adult Learning Strategy.

In general, the Department will utilize the facilities, resources and expertise of established business lines to support the objectives of the delivery strategy. Work is underway to determine the capacity of the existing budget to meet the range of needs identified in the delivery strategy, given commitments that have been made for future training in other sectors, as well as the funding required for existing apprentices. It is anticipated that incremental funding will be required.

Technical training for registered Nunavut apprentices is facilitated by the Department of Education's CDOs through the Office of the Registrar of Apprenticeship in Arviat. The Department expects that existing funding may accommodate technical training for a limited number of additional clients in 2006/2007, subject to availability of seats at out-

of-territory trade schools. Scheduling of training must be done well in advance because seat availability at these institutions is at a premium.

The number of new apprentices accessing such training will likely be small in 2006/2007, the initial year of Housing Trust construction delivery. However, as the number of new apprentices grows in subsequent years, the Department may seek incremental funding to support apprenticeship technical training needs.

The Department of Education has a General Training on the Job program that offers employers a wage subsidy of up to \$7.50/hour towards an employee's salary. The wage subsidy can be for one (1) year. This is the fund that employers would access for labourers. When the labourer is attending a pre-trades course, the employer will not be getting the wage subsidy because the labourer will not be working. In this case, the labourer could be funded through the Labour Market Development Agreement (LMDA) if EI-eligible, *or* through the Income Support Program (basic living allowance of up to \$310/week if the training is outside his/her home community).

Employers can receive a wage subsidy for apprentices through the LMDA ("Apprentice Training on the Job"). When an apprentice goes to technical training, allowances are funded through the LMDA.

It is anticipated that some incremental funding will be required to support allowances for both labourers and apprentices while taking training.

Nunavut Arctic College (NAC)

NAC delivers adult basic education in many Nunavut communities as part of its core business. However, trades preparation (pre-trades) courses are only possible when third party funding has been secured. Likewise, NAC's capacity to offer an increased number of technical courses in the carpentry trade would be determined by third party funding. Funding issues aside, both pre-trades courses and carpentry technical courses can be scheduled by NAC with a reasonable degree of flexibility.

NAC, in consultation with the NHC, has projected the potential cost of delivering pre-trades courses to support Housing Trust training objectives. NAC has the experience to organize pre-trades courses in all three regions. Courses will be offered in the locations where the greatest number of people can benefit. As a result, some candidates will need to travel, most often within their region, to attend courses appropriate to their individual needs. This will result in incremental costs for travel and living allowances, which would normally be borne by the Department of Education as detailed in preceding sections.

Qulliq Energy Corporation (QEC)

QEC does not forecast incremental costs for the 2006/2007 delivery season. Further investigation is currently underway to determine if incremental costs to meet the power requirements of new units may occur in subsequent years of construction.

6. Housing Trust Management

As directed by the FMB, the NHC will continue to work with the departments and agencies on the Deputy Ministers' Steering Committee and the Senior Officials' Working Group to coordinate efforts in support of the Housing Trust delivery strategy.

The Senior Officials' Working Group was divided into Technical and Education/Training sub-groups during the summer of 2006. It is anticipated that frequent discussions will continue at these tables, with status reports and critical issues forwarded at regular intervals to the Deputies' Steering Committee. The sub-groups will be instrumental in developing more detailed, task-specific implementation plans for specific components of the delivery strategy, including training and skill development activities. In addition, all Working Group members will contribute to the design and delivery of a complementary Housing Trust communications plan.¹⁰

a. Roles & Responsibilities

Nunavut Housing Corporation

- Lead agency for the development and implementation of the Housing Trust delivery strategy
- Coordinates GN participation in strategic planning for the Housing Trust through the Deputy Ministers' Steering Committee and Senior Officials' Working Group
- Coordinates with specific departments to ensure critical activities under the Housing Trust are synchronized, monitored and modified as necessary in order to meet the objectives articulated in the delivery strategy
- Implements and evaluates the new Housing Trust construction delivery model that emphasizes on-the-job training for new apprentices and includes changes to tendering, procurement and labour-only contracts
- Facilitates community-based delivery mechanisms as appropriate

¹⁰ For further details on implementation and communications plans, refer to Section 10, "Communications," and Section 12, "Next Steps."

- Works closely with LHOs in every community to coordinate and assess various aspects of Housing Trust delivery
- Reviews and enhances community housing profiles on an ongoing basis, through consultations with local experts and departmental representatives
- Facilitates Housing Trust monitoring, evaluation and reporting functions

Department of Education

- Oversees the delivery of programs in adult education, adult literacy, career planning and student financial assistance
- Through apprenticeship programs, provides financial and other student support services to apprentices; works to encourage private sector involvement in apprenticeship training; maintains an indentured apprentice registry; and, facilitates the Nunavut Apprenticeship, Trade and Occupations Board
- Works with NAC staff and other groups on post-secondary education and apprenticeship/trades training initiatives

Nunavut Arctic College

- Delivers adult basic education, apprenticeship/trades training, and specialized/academic upgrading courses through its main campuses and community learning centres
- Screens prospective students using placement exams and interviews to determine readiness for academic studies and skill levels in math and English
- Leads the development and implementation of the Nunavut Trade School, which is scheduled to open in Rankin Inlet in 2009. Over the course of training delivery under the Housing Trust, NAC staff and their Education counterparts will have the opportunity to gather and assess data that will assist in future planning for this initiative.

Community Government and Services

- Liaises with municipalities on land assembly and responds to municipal infrastructure requirements for new housing construction, including surveying and lot development, granular development, water and sewer, safety inspections, etc.

Economic Development & Transportation

- Provides funding to hamlets to assist in hiring Community Economic Development Officers (CEDO), who build local business capacity through mentorship, targeted training, etc.
- Supports the work of the CEDOs through ongoing liaison and assistance in accessing required expertise and sources of funding

Qulliq Energy Corporation

- Monitors power requirements and existing systems in Nunavut communities and liaises with stakeholders on strategic plans with impacts on power usage
- Provides and maintains safe, adequate, efficient infrastructure to support power requirements

7. Construction Delivery

As one of the primary objectives of the Housing Trust delivery strategy, the NHC will be piloting a construction delivery model that emphasizes on-the-job training for new apprentices. This new model also includes changes to the way the NHC tenders and procures materials, changes to NHC labour-only contracts, and community-based delivery mechanisms.

As previously noted, the new model will be tested and evaluated by the NHC as construction delivery under the Housing Trust proceeds. Other NHC contracts, including those for Modernization and Improvement projects (M&I), will continue to proceed as usual, using standard NHC contracting procedures. In addition, the established NNI policy will be applied to contracts under the new model, as with all NHC contracts.

Other GN departments and agencies will be provided with updates on the successes and challenges of the pilot model and these “lessons learned” will serve as a valuable source of data for the development of future GN contracting models.

The multi-year funding available through the Housing Trust will result in Nunavut communities receiving a consistent annual delivery of materials and a dependable level of

construction activity for three fiscal years. The new model being piloted by the NHC takes advantage of this longer planning horizon to integrate meaningful training and economic development opportunities with housing construction.

Through the Housing Trust, about 20 communities will be receiving between 20 and 50 new housing units over the next three fiscal years. As a conservative estimate of job creation, the NHC forecasts the need for approximately 35 to 40 new journeypersons to maintain these units as LHO employees. Each of these new journeypersons will, in turn, likely mentor several new apprentices over the course of their careers. In this way, the Housing Trust investment will stimulate job-creation, renew local expertise and provide opportunities for training at the community level.

a. Pilot Construction Delivery Model

The new construction model that will be piloted under the Housing Trust provides for a two-part construction process with a break for academic training. Beginning in 2007¹¹, labourers and apprentices will work on the job-site through the late summer and fall following the sealift delivery of materials. Construction will proceed to completion of the exterior unit shells.

During the coldest winter/spring months, job-sites will shut down. Labourers will have the opportunity to take pre-trades courses to upgrade their skills and to write the Trade Entrance Exam, and apprentices will be scheduled to attend technical training.

Finally, in the late spring, labourers and apprentices will return to the job-site and complete the units.

Standard hours of work will change in the new construction model. Contractors and employees will work a maximum of nine (9) hours per day (24-hour period) and a maximum six (6) days per week (seven-day period). In addition, a maximum “cap” of 45 working hours per week (seven-day period) will be established. These conditions will

¹¹ For the initial year of construction, 2006/2007, construction will not begin until the spring of 2007.

help ensure that on-the-job training will take place at a reasonable pace, which in turn contributes to a higher quality learning environment. At least one day off per week will also permit labourers and apprentices to participate in hunting and other traditional activities, as well as to spend time at home with their families.

Typically, construction workers “imported” to Nunavut for contracts lack familial or other obligations, and therefore work extended hours, with no days off, until projects are completed. Revising the standard hours of work in Housing Trust contracts is an attempt to level the playing field for local workers. The NHC views the longer, two-part construction process as an acceptable adjustment that permits more meaningful, incremental training and employment opportunities over the course of Housing Trust construction delivery.

In Nunavut, the current mentor-learner ratio for apprenticeship is one (1) journeyperson for every one (1) apprentice. Consideration may be sought on a case-by-case basis from the Nunavut Apprenticeship, Trade and Occupations Board to change the Journeyperson to Apprentice Ratio. This ratio varies among trades and is based on the particular needs of each trade. Any changes to ratios are subject to approval by the Minister of Education.

Where there are insufficient registered apprentices to maintain the 1:1 ratio as described, contractors will employ local labourers and maintain a ratio of one (1) licensed journeyperson for every three (3) labourers.

In the case of labour-only contracts managed by a LHO, the labourers and apprentices may be hired by the LHO in question. In this case, the LHO will bill the contractor(s) back for hours worked by the labourers and apprentices, per the conditions of the labour-only contract.

Another key component of the pilot construction delivery model relates to compensation for labourers and apprentices. Under the existing system, there are no minimum remuneration requirements for these employees other than those stated in the *Labour Standards Act* which sets the territory’s minimum wage.

In the new model, contractors will be required to remunerate apprentices a set percentage of the established pay range for an equivalent licensed tradesperson. This percentage will increase with each level of certification achieved and verified by the Nunavut Apprenticeship, Trade and Occupations Board. Labourers will be paid a minimum hourly rate of \$15.00 by employers.

In addition to these rates of pay, which are outlined in the Community Pay Range Schedule attached as Appendix D, contractors will be required to pay all local employees the hourly “Nunavut Allowance” according to the same schedule. These contractual requirements will ensure local labourers and apprentices receive a reasonable wage for reasonable hours of work.

b. Procurement

Material tenders under the Housing Trust will leverage the economies of scale possible with intensified construction. The NHC will enter into marshalling contracts at southern collection points (e.g. the port of Montreal) through a public tender process.

Commodities will be grouped into at least three categories: electrical, mechanical and architectural. Grouping commodities in this way increases the competitiveness of the tender process by allowing firms that specialize in only one or two categories of components to bid. The volume of materials grouped by commodity is also attractive to suppliers.

Receipt of materials will be recorded at the marshalling points and payments will be made in accordance with established guidelines. The shipping component of the material supply tender must use the GN-approved carrier.

c. Design

The NHC recognizes that for housing units to be appropriate to Nunavut, their designs must support traditional activities and lifestyles. In addition, housing designs should

promote energy efficiency and the use of effective technologies that assist in lowering operating costs.

Territory-wide consultations organized through the *Building Connections in Nunavut* process in 2003 provided a wealth of information on culturally-appropriate housing design. Elders, youth and community leaders shared ideas to help guide the NHC in its research and development of housing designs that fit the needs of Nunavummiut. In 2005/2006, many of these concepts were further explored during a “design charette” or workshop process coordinated by the NHC with elders and other stakeholders in Arviat.

In response to the valuable input collected through these consultative efforts, NHC district offices were tasked with the in-house design of a new five-plex blueprint that would meet or exceed CMHC’s energy efficiency standards, and incorporate culturally-appropriate design features. Potential construction materials were analyzed to identify the most appropriate, Nunavut-friendly products available.

The new design includes several modifications of the interior living space. There are no walls between the kitchen, dining and living rooms, creating an open concept, multi-purpose space that can accommodate gatherings of extended family and friends for traditional communal activities such as sewing, crafts and feasts. The bedrooms, bathroom and storage room open directly into this area.

Another design feature, built-in shelving systems in the closets and storage rooms, allows residents to maximize their available living space. In addition, a country-food preparation area in the storage room features a combination sink and cutting board to facilitate the processing and preparation of traditional foods.

The new five-plex design has two exterior exits, a modification that community members have long emphasized as important. The five-plex also has no crawlspace. Without a crawlspace, the units have a lower profile and stair/ramp requirements are reduced. In addition, by combining adjacent entrances, the number of exposed exterior walls is decreased. This results in a reduction in heat loss from the units’ heated porches.

By diverting funds ordinarily used to build the crawlspace, the NHC has been able to invest in higher-quality materials for other design components. For example, triple pane low-E, Argon filled windows and advanced Roxul insulation have been incorporated. These higher-quality materials result in greater energy efficiency, better fire separation and reduced sound transmission, all features which further improve the quality of life for residents.

The insulation used in both the new NHC five-plex design and the standard Material Assistance Package design exceeds the Model National Energy Code by 25%. The NHC will continue to explore opportunities to increase the energy efficiency of its unit designs, and to incorporate design modifications that make homes safer, more comfortable and more culturally-relevant.

The majority of houses constructed under the Housing Trust will be the new five-plex design created by the NHC.

d. Labour-only Contracts

In accordance with 2003 NNI Review recommendations, the NHC has attempted to “unbundle” its Supply, Ship and Erect (SSE) tenders wherever possible. Since the 2004/2005 construction season, the majority of new public housing tenders have been “unbundled” or split into at least two components: material supply and delivery, and labour-only construction. This has typically allowed the NHC to concentrate its material supply needs and receive a better price overall for the material component.

By issuing labour-only tenders, community-based Inuit firms are able to bid on more GN contracts. Previously, there were many barriers to such firms when the SSE-style of bidding was employed. These barriers included lack of capital, lack of southern contacts for material supply, and the administration costs associated with marshalling and shipping material packages.

Under the Housing Trust, the NHC has the opportunity to provide even greater opportunities to Inuit and Nunavut firms. These opportunities are possible by assessing,

community-by-community, the capacity, expertise and viability of local construction firms. Based on these assessments, one of three different labour delivery methods will be employed for construction of new units in any given year: public tender; negotiated contract; or, project management through a LHO.

It is important to note that local capacity will be reviewed by NHC staff on an ongoing basis, and that the same delivery model may not be employed in each community for every year of construction under the Housing Trust. As local businesses gain capacity, increasing participation in construction contracts will be possible. It is the NHC's intent to pursue the first two delivery methods wherever feasible.

The public tender delivery method will be used in communities with an established competitive contracting base. The NHC will not interfere with private market forces in Nunavut communities where they exist, but will make every effort to ensure that all contractual obligations, particularly those involving training, are fulfilled both in spirit and in practice regardless of the for-profit or non-profit status of the parties involved.

The negotiated contract labour delivery method will be used in communities with a viable Inuit/Nunavut firm, or an experienced community development corporation. Executive Council approval will be required to proceed with these contracts.

Finally, the LHO labour delivery method will be used in communities that have neither a competitive contracting base nor an experienced, viable Inuit/Nunavut firm or community development corporation. In these communities, the LHO will fulfill the project management function.

In all three models, adherence to GN contracting policies, the NNI policy and new training requirements described in this delivery strategy will be obligatory. Currently, the NHC and EDT, in consultation with other departments and agencies, are reviewing business viability criteria. The intent is to remove unnecessary barriers to the participation of local businesses, as well as to ensure that emerging businesses have the capacity and supports they require to successfully meet their contractual obligations.

To ensure that electrical and mechanical work by journeypersons is accomplished in an efficient manner that allows for maximum hands-on training for apprentices, the NHC may consider grouping communities and sub-contracting the completion of these components. Either public tenders or negotiated contracts may be employed, as appropriate.

8. Training Delivery

a. Intake & Training for Labourers & Apprentices

A certain number of labourers and apprentices will be required in each community for each year of Housing Trust delivery, based on the number of units that will be built in accordance with the allocations approved by the FMB. A spreadsheet indicating the manpower requirements, by trade, for the construction of five-plex units has been included as Appendix E.

A communications campaign¹² promoting the upcoming apprenticeship and trades training opportunities will be initiated in communities, with LHO and NHC staff, CDOs, and other officials utilizing community radio, print ads, posters and other media in both Inuktitut and English.¹³ Starting in early 2007, interested candidates will be invited to visit their LHO and their CDO, either informally or to attend an information session. At this time, candidates will be asked to complete a brief application form. This form will collect basic information about candidates, including their previous construction experience and their training goals. The LHO and CDO will provide all candidates with information about upcoming pre-trades testing in their community, as well as information about the future training and employment opportunities available as part of Housing Trust construction delivery.

All interested candidates will be given the opportunity to write the Trade Entrance Exam administered by either a Career Development Officer or an Adult Educator. Those who score 70% on the exam and who have found an employer can be immediately registered as a Nunavut apprentice.

¹² For further details, refer to Section 10, "Communications."

¹³ Inuinnaqtun and French translations will be made available as resources permit and subject to demand.

Those who score over a minimum percentage on the exam¹⁴ but below 70% and who are interested in apprenticeship will be encouraged to apply for work on Housing Trust job-sites as labourers, and to attend a pre-trades course in order to enhance their skills.

To be admitted into a pre-trades course, candidates must demonstrate a certain level of English, math and science skills. At the end of the pre-trades course, the Trade Entrance Exam can be rewritten.

Individuals who do not achieve the minimum percentage on the exam on their first attempt will be counseled for academic upgrading. Staff from the Department of Education and NAC will work together to link individuals with appropriate Adult Basic Education opportunities in their communities.

Community members will be asked, on an informal basis, to help identify and encourage promising candidates for trades-training. These community members may include elders, high school teachers, LHO board-members, the CEDO, municipal leaders and other people who may be able to assist the NHC in recruiting labourers and apprentices.

b. Ongoing Apprenticeship Support

As they alternate between theoretical learning in a classroom environment, and hands-on training at construction sites under the supervision of experienced journeypersons, labourers and apprentices will build the hours of experience necessary to progress.

As a general principle, the NHC and the Department of Education will support all candidates from the pre-trades stage through to apprenticeship, and finally to journeyperson status, if candidates demonstrate the necessary commitment and skills.

¹⁴ As noted on p. 22, this percentage is currently being determined by the NHC.

c. Employment Contracts

Both labourers and apprentices will enter into employment contracts with the private business, community development corporation or LHO responsible for a given labour-only contract. The Apprenticeship contract will be prepared by the Career Development Officer on behalf of the Department of Education at the time of registration. This contract remains in place for the duration of the Apprenticeship. Employment contracts are between the Apprentice/Labourer and the employer.

9. Local Economic Capacity-Building

The NHC has opened a dialogue with the Nunavut Association of Municipalities (NAM) with a view toward gaining the assistance of hamlets and their CEDO employees in local economic capacity-building. CEDOs respond to the direction of the hamlets on local economic development priorities, and work directly with people interested in starting businesses to identify and assess their skill sets. They play a key role in organizing training courses or mentorship arrangements that help individual businesses and entrepreneurs build business knowledge and prepare to take advantage of emerging economic opportunities – such as the construction contracts and indirect service requirements created through Housing Trust delivery.

CEDOs, in coordination with EDT staff, also help businesses to access capital and/or bid security, in particular through the Nunavut Business Credit Corporation. A variety of funding programs exist to encourage the growth of private, local enterprise in Nunavut communities, and the CEDOs are the first point of contact in connecting promising entrepreneurs and emerging businesses with these resources. Local and regional GN staff in multiple departments will play a vital role in networking with CEDOs to ensure individuals and businesses are put in touch with the appropriate resource-people in their home communities.

The business skills learned to support housing-related services are highly transferable and will help prepare local companies to respond to economic opportunities in future growth

sectors like mining and tourism. Bookkeeping, project management, building maintenance and equipment repair are just a few of these transferable skills.

a. Engaging the Private Sector

The NHC, in coordination with all Working Group members, will look at opportunities to involve private sector trades-people and the established construction industry in efforts to achieve the objectives of the Housing Trust.

Regardless of whether they are directly involved in Housing Trust contracts, these stakeholders must respond positively to the requirements of NNI in order to conduct business in the territory. Therefore, they have a long-term interest in supporting efforts to increase the number of skilled, local workers. Feedback received from private industry during the *Building Connections in Nunavut* consultative process, as well as input gathered during ongoing liaison with trades-people and private enterprise through the NHC's district staff and LHOs, suggest many positive linkages between the private sector and the goals of the Housing Trust which warrant further analysis.

10. Communications

A comprehensive communications plan is essential if the objectives and activities of the Housing Trust delivery strategy are to be well-understood and supported by Nunavummiut. A communications plan is also essential in assuring accountability for outcomes and activities, and is a useful framework from which to launch future advocacy efforts by all stakeholders seeking further investments in housing for Nunavummiut.

The NHC will lead the development of the Housing Trust Communications Plan subject to direction received by the FMB. The following elements will likely be included:

- Key messages that focus on the innovative components of the Housing Trust delivery strategy and the GN's intention to pursue long-term benefits for Nunavummiut in training and economic development through coordinated, multi-year efforts;

- Actions to publicly acknowledge the contribution provided by the Government of Canada in respect of housing in Nunavut;
- Coordinated actions to promote the benefits and opportunities of the housing initiative to communities, municipalities, new and existing businesses, and Nunavummiut interested in employment and training;
- The timing and nature of actions to engage private sector companies, non-governmental and community organizations, federal departments and other groups in discussions and activities that support the objectives of the delivery strategy;
- Joint, ongoing actions by the Department of Education, NAC and the NHC to promote apprenticeship and trades-training opportunities using community radio, print ads, posters and other media in Nunavut’s official languages;
- Longer-term efforts by Working Group members, including the Department of Education, NAC, the NHC and EDT, to promote apprenticeship, trades training and entrepreneurship to young people, both in and out of school, as a way to spark interest in the range of current and spin-off opportunities created by the Housing Trust and related initiatives; and
- Guidelines to ensure the effective flow of communication amongst housing stakeholders, including ad hoc community and regional working groups¹⁵, the Senior Officials’ Working Group, organizations such as NAM, municipal governments and local partners such as the LHOs.

11. Monitoring & Evaluation

As lead agency for the implementation of the Nunavut Housing Trust, the NHC will provide updates on progress to date and key activities through the following mechanisms, as appropriate:

- Regular updates to the Deputy Ministers’ Steering Committee;
- Regular progress reports to the FMB and/or Cabinet, as directed;
- Briefings to the Standing Committee on Housing, Infrastructure and Economic Development; and
- Briefings to the Legislative Assembly through Minister’s Statements.

The NHC will include data on how activities to meet Housing Trust objectives are impacting on the achievement of targets outlined in *Pinasuaqtavut 2004-2009* in its periodic updates to Cabinet through the Department of Executive and Intergovernmental Affairs.

¹⁵ For further details on the community and regional working groups, refer to Section 12, “Next Steps.”

As discussed in this strategy, the GN's vision for the Housing Trust – beyond the immediate crisis relief provided through the addition of new units – is to secure long-term benefits for Nunavummiut in the form of resident labour-force development and community-level economic capacity building. Several objectives identified under this vision have also been outlined in preceding sections.

It is recognized that the achievement of each objective will be supported through key activities and actions. These key activities are currently being discussed by sub-groups of the Senior Officials' Working Group. The roles and responsibilities of participating departments and agencies will be clearly outlined as part of this work.

The Senior Officials' Working Group is also developing criteria for success against which progress will be evaluated. Where possible, these success criteria or "performance indicators" will include both quantitative and qualitative measures. For instance, quantitative indicators might include the number of active apprentices at a given time or the intake of pre-trades students. Qualitative indicators might include feedback from the LHOs on the success of community-based delivery methods.

Success criteria will help measure how effectively and efficiently specific activities are contributing to the achievement of the overall objectives. Whether quantitative or qualitative, the criteria for success need to be realistic, attainable and measurable. They must also be appropriate for Nunavut. All participating departments will collaborate to identify the information needed, determine the methods of collection, and review the validity and reliability of results.

The Senior Officials' Working Group will provide proposed activities and success criteria to the Deputies Steering Committee for review and approval in the fall/winter of 2006/2007, and will seek direction on the frequency of reporting.

12. Next Steps

Subject to direction received from FMB, the following actions will be pursued to implement the Housing Trust delivery strategy:

- The Senior Officials' Working Group will collaborate in sub-groups, as necessary, to develop straight-forward actions, performance indicators and streamlined implementation plans that address each of the key objectives in the delivery strategy;
- The Senior Officials' Working Group, with the NHC and the Department of Education taking the lead, will develop a communications plan for the delivery strategy, including short-term actions to inform communities about activities to date;
- The Senior Officials' Working Group will work to support the development of complementary regional and/or community-level working groups on an ad hoc basis, as directed by the Deputy Ministers' Steering Committee;
- The Deputy Ministers' Steering Committee will meet regularly to review the recommendations and proposals of the Senior Officials' Working Group; and
- The NHC will continue to consult regularly with communities, GN departments and agencies, and the LHOs to enhance and review community housing profiles.

Appendix A: Nunavut Housing Trust – Community Allocations

Public Housing Allocations (Preference to non-decentralized communities)

OPTION

3

Community	# of Tenants	Total Units	% by tenant	# of units (2006-07)	# of units (2007-09)	Total Units by Community (2007-2009)	% of Total Incremental Units
Iqaluit	1242	430	8.25	10	47	57	7.85
Arviat	1136	258	7.55	5	47	52	7.18
Baker Lake	1130	307	7.51	3	49	52	7.15
Rankin Inlet	901	248	5.99	3	38	41	5.70
Igloolik	900	195	5.98	5	36	41	5.69
Pangnirtung	883	245	5.87	6	34	40	5.58
Pond Inlet	794	187	5.27	4	32	36	5.02
Cape Dorset	783	214	5.20	3	33	36	4.95
Kugluktuk	746	216	4.96	5	29	34	4.72
Cambridge Bay	710	207	4.72	5	28	33	4.49
Gjoa Haven	692	161	4.60	4	28	32	4.38
Taloyoak	585	145	3.89	3	27	30	4.20
Clyde River	545	119	3.62	5	24	29	3.94
Sanikiluaq	516	114	3.43	5	22	27	3.76
Repulse Bay	487	92	3.24	6	20	26	3.58
Hall Beach	460	104	3.06	5	20	25	3.41
Arctic Bay	445	116	2.96	3	21	24	3.31
Coral Harbour	444	122	2.95	3	21	24	3.30
Kugaaruk	401	92	2.66	0	22	22	3.03
Qikiqtarjuaq	378	106	2.51	4	17	21	2.89
Kimmirut	265	76	1.76	3	8	11	1.52
Chesterfield Inlet	220	72	1.46	2	8	10	1.38
Whale Cove	215	68	1.43	2	8	10	1.38
Resolute Bay	109	38	0.72	0	6	6	0.83
Grise Fiord	66	29	0.44	2	4	6	0.83
Total	15053	3961	100	96	629	725	100

NOTE: Total units include the 2006 allocation of duplexes and TOP replacements, as well as the 15 Kugaaruk and the 5 Resolute Bay Infrastructure Canada allocated units

Appendix B: NHC Cash-Flow Forecast for \$200M Construction

Expense	Immediately	Apr-07	Aug-07	Apr-8	Aug-08	Apr-09	Aug-09	Total
Materials	\$12,672,000	\$31,152,000		\$40,920,000		\$10,956,000		\$95,700,000
Site Work	\$1,920,000	\$4,720,000		\$6,200,000		\$1,660,000		\$14,500,000
Foundations	\$1,728,000	\$4,248,000		\$5,580,000		\$1,494,000		\$13,050,000
Labour	\$580,000	\$9,500,000	\$24,780,000		\$32,550,000		\$8,715,000	\$76,125,000
Requires FMB Approval	\$16,900,000	\$49,620,000	\$24,780,000	\$52,700,000	\$32,550,000	\$14,110,000	\$8,715,000	\$199,375,000

FMB has already approved the immediately required funding

Appendix C: Projected Incremental Costs by Department/Agency

Department	Item	2006/2007	2007/2008	2008/2009	2009/2010	Notes
Nunavut Housing Corporation	Term position - Coordinator of Community Delivery	\$70,833	\$170,000	\$170,000	\$113,333	Start-date Nov. 1, 2007; expected end-date Aug. 31, 2010
	Term position - Sr. Finance Officer	\$30,000	\$120,000	\$120,000	\$80,000	Expected start-date Jan. 1, 2007; expected end-date Aug. 31, 2010
	Carpentry technical course - contract with NAC	Already funded	To be determined	To be determined	To be determined	(a)
	Pre-trades courses - contract with NAC	\$600,000	\$1,200,000	\$600,000	To be determined	(b)
Department of Education	Subsidization of wages, 20 apprentices, 3-year trade	\$10,000	\$260,000	To be determined	To be determined	(c)
	Subsidization of wages, 20 apprentices, 4-year trade	\$10,000	\$260,000	\$208,000	To be determined	(d)
	Training allowances, pre-trades students	\$21,700	\$520,800	\$260,400	To be determined	(e)
TOTAL		\$742,533	\$2,530,800	\$1,358,400	\$193,333	
TOTAL ALL YEARS					\$4,825,067	

* 2006/2007 costs are approved by FMB. Costs for subsequent years are not yet approved.

Notes to Appendix C: Projected Incremental Costs

- (a) Two modules of carpentry technical training are currently offered by NAC's Nunatta campus in Iqaluit. These modules are expected to meet demand in the start-up year of Housing Trust construction, 2006/2007. If additional modules are required in subsequent years, NHC will work with NAC officials to determine a costing estimate, and will approach FMB for incremental resources.
- (b) The NHC will work with NAC officials to determine appropriate course offerings and locations based on need in each year of Housing Trust training delivery.
- (c) The wage subsidy for a trade that takes three years to complete is based on a sliding scale: year one may be up to \$7.50 per hour or 50% of the hourly rate; year two, \$6.25; and year three, no subsidy provided. Calculations in the spreadsheet are based on 2080 on-the-job hours/year.

Since some three-year apprentices will be registered and come on-stream after 2006/2007, subsidization for these individuals may be required in 2008/2009 and 2009/2010.

The Department of Education forecasts a minimal requirement for funding in 2006/2007. In subsequent years of training delivery, the full amount of funding for 20 total three-year apprentices is expected to be required.

- (d) The wage subsidy for a trade that takes four years to complete is also based on a sliding scale: year one may be up to \$7.50 per hour or 50% of the hourly rate; year two, \$6.25; year three, \$5.00; and year four, no subsidy provided. Calculations in the spreadsheet are based on 2080 on-the-job hours/year.

Since some four-year apprentices will be registered and come on-stream after 2006/2007, subsidization for some individuals may be required in 2009/2010.

The Department of Education forecasts a minimal requirement for funding in 2006/2007. In subsequent years of training delivery, the full amount of funding for 20 total four-year apprentices is expected to be required.

- (e) Training allowances are based on \$26,040 for six participants (LMDA minimum rates). The Department of Education forecasts a minimal requirement for funding in 2006/2007 to support pre-trades courses that begin in early 2007.

Appendix D: Community Pay Range Schedule

1. LICENSED TRADES-PERSON

Hourly Rate

Carpenter	\$ 31.28
Plumber	\$ 32.51
Electrician	\$ 32.51
Oil Burner Mechanic	\$ 32.51
Housing Maintenance Serviceperson	\$ 27.82

2. APPRENTICES

The apprentice pay range will follow the applicable percentage of the licensed trades-person in the various disciplines according to the length of the program, as outlined in Section 23 of the Nunavut Apprenticeship & Occupation Certification Regulations.

Four Year Program

Year One	50%
Year Two	60%
Year Three	70%
Year Four	80%

Three Year Program

Year One	55%
Year Two	65%
Year Three	80%

Apprentices' pay rates will be based upon the level of certification issued by the Nunavut Apprenticeship, Trade and Occupations Board

3. PRE-TRADE LABOURERS

A minimum hourly rate of \$15.00 will be paid by employers.

Appendix D: Community Pay Range Schedule, Cont'd

Nunavut Northern Allowance (NNA) will be paid on regular hours only.

<u>Community</u>	<u>NNA per Hour</u>
Arctic Bay	\$9.92
Cape Dorset	\$8.30
Clyde River	\$9.09
Grise Fiord	\$13.63
Hall Beach	\$9.32
Igloolik	\$8.93
Iqaluit	\$5.82
Kimmirut	\$7.56
Pangnirtung	\$7.44
Pond Inlet	\$9.58
Qikiqtarjuaq	\$8.95
Resolute Bay	\$11.26
Sanikiluaq	\$8.03
Arviat	\$8.35
Baker Lake	\$9.64
Chesterfield Inlet	\$9.16
Coral Harbour	\$9.21
Rankin Inlet	\$7.32
Repulse Bay	\$8.66
Whale Cove	\$8.53
Cambridge Bay	\$7.80
Gjoa Haven	\$10.42
Kugaaruk	\$10.54
Kugluktuk	\$8.72
Taloyoak	\$12.03

Appendix E: Manpower Requirements for Five-Plex Construction

Manpower by Trade - One Five Plex

Total Number of Hours **9614**

	Hours	
Supervision / Project Management	1444	15.0%
Licensed Carpenter	1250	13.0%
Carpenter Apprenticeship 1:2	2500	26.0%
Carpenter Helper 1:2	2500	26.0%
Licensed OBM	80	0.8%
OBM Apprentice 1:1	80	0.8%
OBM Helper 1:1	80	0.8%
Licensed Electrician	120	1.2%
Electrician Apprentice 1:1	120	1.2%
Licensed Drywaller	120	1.2%
Drywaller Apprentice 1:2	240	2.5%
Licensed Painter	240	2.5%
Painter Apprentice 1:2	480	5.0%
Licensed Plumber	120	1.2%
Plumber Apprentice 1:1	120	1.2%
Plumber Helper 1:1	120	1.2%
	9614	100.0%

Ratio based on Licensed Trade
Apprentice/Helper 6160 hours

Appendix F: Initial Assessment of Community Capacity

Community	Est. Pop.	Tenants	Unit Breakdown					Total Units	Total Bed-rooms	LHO Maintenance			Units per employee	Warehouse		Storage for materials	Equip. to handle contains	Development		
			Bach	1	2	3	4			5	Licensed	Appren.		Other	Square footage			Office included	Land avail.	Gravel avail.
Cambridge Bay	1424	710	8	46	76	48	29	2	209	476	4	1	0	41.8	3200	no	no	yes	yes	yes
Gjoa Haven	1150	692	2	14	58	47	43	2	166	455	5	2	0	23.7	3400	yes	no	yes	yes	yes
Kugaaruk	756	401	0	4	28	34	10	0	76	202	3	1	0	19.0	3200	no	no	yes	yes	yes
Kugluktuk	1350	746	8	32	87	74	22	2	225	534	4	4	0	28.1	3200	yes	yes	yes	yes	yes
Taloyoak	808	585	0	13	56	57	16	0	142	360	3	0	0	47.3	2400	yes	no	yes	yes	yes
Rankin Inlet	2337	901	0	61	95	61	31	0	248	558	5	0	2	35.4	3200	no	yes	yes	yes	yes
Coral Harbour	766	444	0	20	56	27	19	0	122	289	5	1	0	20.3	3200	yes	no	yes	yes	yes
Baker Lake	1647	1130	0	75	94	89	47	5	310	743	3	6	2	28.2	3200	no	yes	yes	yes	yes
Arviat	2218	1136	0	48	117	48	49	0	262	622	9	0	0	29.1	2400	yes	yes	yes	yes	yes
Repulse Bay	671	487	0	2	35	32	22	2	93	266	4	0	0	23.3	3200	yes	no	no	yes	yes
Chesterfield Inlet	362	220	0	8	26	26	13	0	73	190	2	3	0	14.6	3200	yes	no	no	yes	yes
Whale Cove	314	215	0	10	27	15	10	0	62	149	3	0	0	20.7	3200	yes	no	yes	yes	yes
Iqaluit	6200	1242	8	156	114	108	32	14	432	914	9	2	0	39.3	5000	no	yes	yes	yes	yes
Kimmirut	415	265	4	4	27	25	14	2	76	203	2	1	0	25.3	2400	yes	no	yes	yes	yes
Cape Dorset	1250	783	2	44	72	64	42	1	225	555	7	2	7	14.1	4000	yes	no	yes	yes	yes
Igloodik	1600	900	0	16	83	66	20	0	185	460	3	2	0	37.0	3486	yes	yes	yes	yes	yes
Hall Beach	735	460	0	2	51	33	23	3	112	310	2	0	1	37.3	5000	yes	no	yes	yes	yes
Pangnirtung	1585	883	0	27	97	80	40	2	246	631	6	0	1	35.1	3200	no	no	yes	yes	yes
Qikiqtarjuaq	524	378	0	8	48	32	16	0	104	264	3	0	0	34.7	1225	no	yes	yes	yes	yes
Clyde River	850	545	2	2	49	52	22	2	129	356	4	0	0	32.3	3200	yes	no	no	yes	yes
Pond Inlet	1310	794	2	6	75	61	44	2	190	527	3	0	0	63.3	3050	no	no	no	yes	yes
Arctic Bay	636	445	0	2	45	48	18	1	114	313	2	2	1	22.8	3200	no	no	yes	yes	yes
Resolute Bay	245	109	2	2	10	8	8	3	33	95	0	1	0	33.0	2400	yes	yes	yes	no	yes
Grise Fiord	140	66	0	0	20	9	3	0	32	79	1	1	0	16.0	3200	yes	no	no	yes	yes
Sanikiluaq	740	516	0	6	47	46	28	5	132	375	2	2	0	33.0	2400	yes	yes	no	yes	yes

30033	15053	38	608	1493	1190	621	48	3998	9926	94	31	14
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* All data currently under review