

Business Plans

2008-2009

VOLUME 2

FOREWORD

In Volume One of this document are Business Plans for the Office of the Legislative Assembly of Nunavut and the ten Government of Nunavut departments to support the Government of Nunavut's 2008-2009 Main Estimates. The Corporate Plan 2007-2012 for Nunavut Arctic College, the Business Plans for Nunavut Housing Corporation and Nunavut Development Corporation, and the Corporate Plan 2008-2011 for Nunavut Business Credit Corporation have also been added to Volume Two of this document, for information purposes only.

Typically, each business plan is organized into six sections:

- Introduction,
- Strategic Commitment to *Pinasuaqtavut*,
- Inuit Employment Plan
- Environmental Scan,
- Core Business, and
- Appendices.

The **Introduction** provides an overview of each department's mission, vision, principles and values as well as a brief description of current language initiatives.

The **Strategic Commitment to *Pinasuaqtavut*** provides an opportunity for departments to describe in general terms how they deliver programs and services in accordance with the principles of IQ and guidelines that are set out in *Pinasuaqtavut*.

The **Inuit Employment Plan** provides information on each department's Inuit employment goals and initiatives. In addition, statistical data is provided on each department's Inuit employment representation.

The **Environment Scan** provides the context, or setting, for the operations of each department. Their clients, challenges – constraints and pressures – and opportunities are described. The Environmental Scan concludes with the Critical Issues for each department – what is critical to keep in mind or do, given the current status and environment, to accomplish its mission.

The **Core Business** section describes what each department does. Each program is briefly described and relevant budget indicated. The program budgets have been expanded to include departmental three-year program forecasts. For each line of business, a status report is provided on the priorities that were identified for the 2007-2008 fiscal year and new and/or continued priorities are identified for the 2008-2009 fiscal year.

Each of the appendices has a specific purpose. **Appendix I** describes the accounting structure, key departmental roles and provides a financial summary for departmental operations, providing an additional lens for viewing the 2008-2009 Main Estimates, since the Estimates cannot be directly compared with the Core Business sections of the plan. Departmental three-year forecasts have been included in Appendix I of the 2008-2009 Business Plans as a first step in moving towards a three-year planning horizon.

Within the Department of Executive and Intergovernmental Affairs plan, **Appendix II** has been added to provide a brief update on the decentralization initiative.

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**Nunavut
Housing
Corporation**

**Business
Plan**

2008-2009

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INTRODUCTION

The Nunavut Housing Corporation (NHC) is a public agency of the Government of Nunavut (GN), created through the Nunavut Legislature by the *Nunavut Housing Corporation Act*. As such an agency, the NHC is at arm's-length from the GN and its operating boundaries are set out in Part IX of the *Financial Administration Act*, the section specifically devoted to public agencies.

The NHC reports to the Legislative Assembly of Nunavut, Executive Council and Nunavummiut through its President and the Minister responsible for the Nunavut Housing Corporation. This approach allows the Minister to maximize the effectiveness of the NHC for the present and future benefits of Nunavummiut.

The advantages of being a stand-alone corporation include:

- the ability to enter into funding partnerships independently, principally the Canada Mortgage and Housing Corporation (CMHC), outside of the GN's financial structure. This means that Nunavut's transfer payments from the federal government are not affected by the funding the NHC receives;
- the ability to carry over funds from one year to the next, ensuring funds from all sources designated for housing initiatives remain dedicated to housing solutions;
- the stewardship of funds appropriated for Capital and Operating and Maintenance, which gives the NHC full authority for the delivery of housing initiatives; and
- the creation of an entity that is specifically focused on meeting housing challenges and providing housing solutions using a one-window approach.

Our Mission

To provide opportunities for all residents of Nunavut to have homes that support a healthy, secure, independent and dignified lifestyle through working with our communities to allow them to assume the role of providing housing to Nunavummiut.

Our Vision

To ensure families and individuals in Nunavut have access to a range of affordable housing options.

Principles and Values

The Nunavut Housing Corporation believes in and strives for:

- placing "human capital"—its employees, Local Housing Organization (LHO) partners, tenants and clients—first when looking at housing solutions for Nunavummiut;
- recognizing the contribution that NHC and LHO staff make towards housing in Nunavut and providing them with the proper work environment and tools required to maximize that contribution;
- making a positive impact on the quality and affordability of housing;

- providing quality advice, assistance and support to LHOs, to other client organizations and agencies, and to individuals;
- providing quality property management services for Nunavut's Public and Staff Housing programs;
- ensuring housing services and supports are provided in an equitable manner;
- the use of *Inuit Qaujimajatuqangit* (IQ) in NHC decision-making; and
- building good relationships with other governments, agencies, departments, and both community and Aboriginal organizations.

Language Services

The NHC is proud to serve clients in their language of choice by producing corporation documents in Nunavut's four official languages.

As a service-oriented Crown corporation the NHC, through its staff, take the time in all communities to hold face-to-face interviews and consultations. With the help of the Local Housing Organizations we make sure that everyone is comfortable in these sessions by providing interpretation and ensuring everyone understands the proceedings.

STRATEGIC COMMITMENT TO PINASUAQTAVUT

Pinasuaqtavut translated from Inuktitut means “*That Which We’ve Set Out To Do.*” In keeping with Nunavut’s consensus style of government, *Pinasuaqtavut* has been embraced and affirmed by all members of the Legislative Assembly as our guiding document as we continue to build our territory over the next three years. The Nunavut Housing Corporation supports this vision, and actions undertaken to support it are highlighted in the following sections.

Inuit Qaujimagatuqangit

The NHC continues to move towards using IQ approaches in its daily business, and plans to increase its efforts in 2008-09.

Housing Design

The NHC knows that in Nunavut, houses and building designs must support traditional activities and lifestyles. The new 5-plex design has several culturally-relevant features, including energy efficient materials which meets or exceeds the National Energy Model. The majority of the units built under the Nunavut Housing Trust will be these innovative 5-plexes.

The NHC will continue to push for northern and Nunavut-specific research initiatives and pilot projects on housing design. The NHC will also continue to seek local input on future models. The NHC and the Tri-territorial Housing Committee have begun to raise the profile of northern issues and have received the support of the Canadian Housing Renewal Association to lobby northern issues at the national level.

The NHC is aware of the need for housing designs appropriate for people with handicaps. Staff will continue to liaise frequently with communities to determine the need for barrier-free units and to identify other accessibility issues, as well as to provide project assistance whenever possible. The NHC will also undertake to identify the disabled residents of Nunavut through its Housing Needs Study, which will begin in January of 2008.

Program Features

The NHC is committed to creating and changing its programs in keeping with IQ, and in close cooperation with our community partners, the LHOs. We will continue to collect feedback from local people, compare notes from staff in the field, and use the resulting information to plan improvements that will make housing programs more culturally appropriate. The recent enhancements to the Homeownership Program guidelines will allow more Nunavummiut to access these programs.

Corporation Decision-Making

The NHC uses a grassroots approach and follows IQ in corporate decision-making. A recent example is a workshop held in Rankin Inlet in April 2007 where the managers of all LHOs met with NHC staff to provide input on how to revise the Public Housing Rent Scale. The findings of this workshop will be analyzed and submitted to Cabinet for approval for implementation in 2008.

In 2008-2009, the NHC will continue to focus and coordinate GN activities related to the Nunavut Housing Trust Delivery Strategy through the Interdepartmental Senior Officials’ Working Group, a Deputy Ministers’ Steering Committee and Regional Working Groups. Helping to ensure that departments and agencies are working across mandates, in partnership, to achieve the key

objectives of the delivery strategy is an ongoing priority for the NHC. The *Pinasuaqtavut* goals of Simplicity and Unity are advanced through such efforts.

Daily Business

The NHC is a service-oriented crown corporation. Most of our work takes place at the community level, with a great deal of community input. This history of grassroots involvement helps to give NHC clients confidence in the NHC's programs and services.

IQ has been an integral part of daily business since the first LHOs were created in the late 1960s. Currently, LHOs employ over 300 Nunavummiut, many of whom are Inuit. Based on current data, 72% of LHO Managers are beneficiaries, 92% of Tenant Relations Officers (TROs) are beneficiaries and 88% of LHO foremen are beneficiaries. Without the cultural sensitivity and understanding that are two pillars of IQ, the NHC would not be effective in the delivery of its programs. Our staff travel almost continually throughout Nunavut's 25 communities and they must incorporate IQ concepts to be able to succeed in their daily tasks.

The NHC's five offices strive to include IQ concepts and approaches in their daily business, and to assess their practices on an ongoing basis to see if there are better ways to integrate local knowledge. This approach will be continued in 2008-2009 as NHC staff work to meet Nunavut's housing challenges.

Healthy Communities

A key building block to healthy communities is access to housing that is adequate, suitable and affordable. To be adequate, a house 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.

The right type of housing helps in reducing health problems and negative social effects, helps students and workers to be productive, and provides a safe living space for all.

Over the next four years, the NHC will try to meet the need for proper housing by:

- Continuing to implement the \$200 million Nunavut Housing Trust Delivery Strategy, which has two major objectives: To support the construction of 725 units by 2009-10 and to support the completion of training of 35 to 40 new journeypersons;
- Conducting a Housing Needs Study in 2008 to identify the number of bedrooms and the number of people resident in each housing unit in Nunavut;
- Continuing to lobby the federal government for further multi-year investments in housing for Nunavut as identified in the *Nunavut Ten-Year Inuit Housing Action Plan* which takes both capital and operating costs into account;
- Focusing on reducing the operating costs in social housing and all new residential homes, by promoting the use of energy efficient construction technologies and materials;
- Continuing to work with local leadership and LHOs to determine labour-only construction delivery methods for each community that fit with existing capacity and community goals;
- Promoting the following key initiatives targeted at Nunavummiut who want to accept the responsibility of homeownership:
 - Increasing awareness of the benefits of homeownership through information sessions delivered in every community;

- Continuing to review the income eligibility criteria for homeownership programs to increase accessibility for potential homeowners;
 - Promoting the revitalized Nunavut Down Payment Assistance Program (NDAP) that encourages homeownership and is more in tune with the down payment needs of Nunavummiut in all communities; and
 - Continuing the Seniors and Disabled Persons Preventative Maintenance Program which assists these clients to retain their homes and increases energy efficiency in the units while reducing operating costs through improved preventative maintenance.
- Continuing our liaison with the Department of Community and Government Services and communities to ensure that there is adequate developed land to construct additional houses in all communities.

Simplicity and Unity

The NHC is taking lessons learned from the First Nunavut Assembly and is incorporating them into all aspects of NHC activities. Activities will include:

- All NHC clients receive counseling in their language of choice. However, more can be done at the employee level and the NHC will continue to actively promote and encourage the use of Inuktitut in the workplace; and
- Coordinating the efforts of GN departments and agencies as they work across mandates and in partnership to achieve the objectives set forth in the Nunavut Housing Trust Delivery Strategy.

Self-Reliance

A cornerstone of our relationship with our 25 Local Housing Organizations (LHOs) is to help them be more self-reliant through adequate, sustainable funding, training, mentorship and support. All of these factors will be targeted in the NHC's activities over the next four years. Activities will include:

- Strengthening LHO financial sustainability and stability by providing more support in 2008-09 from NHC. This includes NHC paying directly the non-controllable costs of the LHOs and allowing them to dedicate more of their resources towards internal financial management;
- Supporting LHO staff development through training in the following areas: financial management; project management; GN Financial Administration Manual (FAM); and program delivery;
- Considering opportunities to revise procedures manuals and other key resources so that LHOs have clear, up-to-date materials to support their administrative processes and human resource management;
- Offering encouragement and assistance for LHOs to assume additional duties, such as providing Home Repair Program scopes of work for homeowners and doing material takeoffs for NHC that will increase community capacity and provide additional resources, education and training to LHOs; and
- Continuing to support and develop LHO capacity to deliver NHC programs at the community level.

With a small team of 88 professionals, the NHC continues to build corporate self-reliance through carrying out identified activities, which would include management internships, mentoring, hiring and extensive on the job training.

We will continue to build both the capacity and strength of the NHC, while remaining sensitive to those ideals that separate us from other jurisdictions and make us unique. Through capacity building and increasing self-reliance, we will in turn be able to support increased self-reliance in our clients.

Continued Learning

The NHC considers the construction, renovation and repair of housing units to be an excellent source of employment, training and apprenticeship opportunities. New construction and renovation happens in every Nunavut community and provides much-needed jobs, albeit on a seasonal basis. In order to fully participate in the economic benefits that come from the construction industry, Nunavummiut need the education and skills necessary to perform the tasks. NHC will:

- Through the Housing Trust Delivery Strategy, work with the Department of Education and Nunavut Arctic College to promote and organize multi-year training opportunities in the construction field. Pre-trades courses and technical training for apprentices will be planned in conjunction with on-the-job training and employment available on Housing Trust construction projects;
- Provide increased training for NHC and LHO staff in financial, project and administrative management and program delivery; and
- Transfer the best practices housing model using local contractors and local workers, developed in Sanikiluaq, Kugaaruk and Chesterfield Inlet construction projects to other communities in Nunavut.

INUIT EMPLOYMENT PLAN

Nunavut Housing Corporation Inuit Employment Goals

The Nunavut Housing Corporation is fully committed to reaching the Nunavut Land Claim Inuit Employment goal of 85% by the year 2020 and still plans to meet the interim goal of 56% Inuit employment by the end of fiscal year 2009-10.

The total number of NHC positions in 2008-09 is 88, up from 85 in 2007-2008. Meeting the GN target of 56% Inuit employment by the end of fiscal 2010 would, on average, require hiring six beneficiaries per year to bring its total of Inuit staff up from 30 in 2007 to 49 in 2010. The target number of Inuit staff for 2008-09 is 38. It is important to note that the forecasted Inuit Employment targets are based on the vacancy rate as of August 31, 2007 and the hiring and job offers which have been completed after that date.

The percentage of Beneficiaries projected to be employed by NHC will fall in 2008-09 from 45% to 44% due to the high number of new hires. To address this, NHC will undertake Inuit recruitment initiatives as outlined below.

Departmental Initiatives for 2008-2009 to meet Inuit Employment Goals

The NHC will be challenged to meet the 56% IEP target due to the technical requirements of a majority of the positions and the hiring of four term positions, which will end in March 2010, to facilitate the delivery of the Nunavut Housing Trust.

To meet the challenge, the NHC will establish a plan to develop Inuit staff utilizing such programs as the Department of Human Resources' Sivuliqtiksat (Internship) Program. The development of Inuit staff will allow for the filling of positions which become vacant due to attrition and terminations. NHC has also created a Manager of Human Resources and Organizational Development position, which will be responsible for the IEP plan and development of a training plan for Article 23 Beneficiaries both internal and external.

One of the key objectives outlined in the Nunavut Housing Trust Delivery Strategy is to support the completion of training for approximately 35-40 new trades-people (Housing Maintenance Servicemen or other journeypersons) by 2011, who will be engaged in the long-term maintenance of housing units in Nunavut. Those trades-people are being trained by way of an apprenticeship program offered in partnership with the Housing Corporation, the Department of Education and Nunavut Arctic College. All of these new trades-people will almost certainly be Inuit (current figures indicate that as many as 90% of apprentices are Beneficiaries), and in many cases will form the next generation of Local Housing Organization and/or NHC employees. If they choose to work with NHC, this will positively impact the Corporation's IEP numbers.

Departmental Inuit Employment Targets

Inuit Employment Representation	As of August 31, 2007		Target for 2008-2009	
	Number (#)	Capacity (%)	Number (#)	Capacity (%)
Total Positions	88		88	
Total Filled Positions	66	75	86	98
Total Unfilled Positions	22	25	2	2
Total Beneficiaries	30	45	38	44
Total Trainees	-	-	-	-
Total Executive Positions	3		3	
Filled Executive Positions	3	100	3	100
Unfilled Executive Positions	-	-	-	-
Beneficiaries in Executive Positions	2	67	2	67
Trainees in Executive Positions	-	-	-	-
Total Management Positions	7		7	
Filled Management Positions	6	86	6	86
Unfilled Management Positions	1	14	1	14
Beneficiaries in Management Positions	1	17	1	17
Trainees in Management Positions	-	-	-	-
Total Middle Management Positions	16		16	
Filled Middle Management Positions	12	75	15	94
Unfilled Middle Management Positions	4	25	1	6
Beneficiaries in Middle Management Positions	1	8	1	6
Trainees in Middle Management Positions	-	-	-	-
Total Professional Positions	-		-	
Filled Professional Positions	-	-	-	-
Unfilled Professional Positions	-	-	-	-
Beneficiaries in Professional Positions	-	-	-	-
Trainees in Professional Positions	-	-	-	-
Total Paraprofessional Positions	50		50	
Filled Paraprofessional Positions	36	72	50	100
Unfilled Paraprofessional Positions	14	28	-	-
Beneficiaries in Paraprofessional Positions	17	47	22	44
Trainees in Paraprofessional Positions	-	-	-	-
Total Administrative Positions	12		12	
Filled Administrative Positions	9	75	12	100
Unfilled Administrative Positions	3	25	-	-
Beneficiaries in Administrative Positions	9	100	12	100
Trainees in Administrative Positions	-	-	-	-

ENVIRONMENTAL SCAN

Introduction

Nunavut's housing needs are staggering. Public Housing Program waiting lists continually grow and a housing infrastructure investment of more than \$1.9 billion is necessary to meet existing and emerging requirements. The *Nunavut Ten-Year Inuit Housing Action Plan*, developed by the NHC and Nunavut Tunngavik Inc. (NTI), challenged the federal government to recognize its moral, constitutional and fiduciary responsibility to provide housing for Inuit.

In response, the federal government announced the Northern Housing Trust to assist the territorial governments in meeting the unique housing needs of the North. Nunavut's portion of this Trust, \$200 million, will result in the construction of approximately 725 new, affordable units across the territory by fiscal year 2009-2010. This funding represents approximately 10% of the total requirement noted in the *Nunavut Ten-Year Inuit Housing Action Plan*.

By way of the new staff housing strategy, the Government of Nunavut is continuing to move staff housing rents closer to private market rates. The impacts of the Staff Housing Policy will be continually monitored in consultation with the Department of Human Resources.

The GN's acknowledgement of the need for strong private markets as an important part of the solution to its housing crisis includes helping Nunavummiut become homeowners.

In 2007, NHC increased accessibility for potential homeowners by eliminating the Northern Allowance, Settlement Allowance, Isolation Post Allowance, and other similar allowances from the assessable income for homeownership programs. The NHC encouraged homeowners to become more energy efficient in 2007 by introducing a \$15,000 energy efficiency enhancement to the Home Renovation Program and by implementing a 50% rebate under the new Home Energy Efficiency Rebate Program to assist with the cost of materials, labour, shipping and home energy audits.

Housing Needs “By the Numbers”

Nunavut's profound housing challenges are situated in a remote, Arctic environment. Absolute homelessness is not a major concern in the territory. Nunavut's “hidden homeless” sleep in shifts within already overcrowded homes—dwellings that average less than 1,000 square feet in size.

The 2001 Aboriginal Peoples Survey defined overcrowding as more than one person per room. Nunavut, as a territory, experiences 19% overcrowding compared to the 5% average for the rest of Canada.

The housing crisis in Nunavut affects all tenure types, from public housing and staff housing, to affordable rental housing and homeownership units. Despite the addition of new public housing units since 2000, the territorial average of 3.27 persons per dwelling is higher than the Canadian average of persons per dwelling of 2.39.

To understand the human impact of these statistics, local context must be considered. Average number of people per dwelling refers to the number of people in every dwelling, from a modest bachelor suite to a large single family dwelling. The stark reality is that over 52% of Nunavut's dwellings have more than four people living in them, and a further 32% have more than five inhabitants.

The NHC is conducting a Housing Needs Study which will identify all the housing units, the number of people resident in them and the condition of each unit. NHC expects to have these results in the Spring of 2008. NHC will use the results of the needs study to determine future housing needs and to build a better business case for federal funding.

Dwelling Types

Fifty-four percent of Nunavut's population resides in public housing, and tenancy in these units is 99% Inuit. In the absence of private affordable rental housing, and given the high costs of independent homeownership, public housing units are home to the majority of Nunavummiut.

Staff Housing from all employers accounts for another 19% of Nunavut's total dwelling numbers. Only 19% of the dwellings in the territory are owned privately. When compared to the rest of Canada, Nunavut's mix of dwelling type is notably different. Only 6% of units in the rest of Canada are of the social (public) housing type, whereas homeownership accounts for 70%, and rental, 14%.

Housing Costs

According to NHC occupancy statistics, almost 54% of Nunavummiut live in the approximately 4,086 Public Housing Program units maintained by the NHC. Those Public Housing units are comprised of 3,820 owned and 266 leased units, which represents a total public investment of over \$500 million¹ in the public housing stock across the territory.

The NHC invests approximately \$12 million annually in capital improvements to units. All evidence suggests that reliance on this source of affordable housing will only increase.

Funding from CMHC for social housing inventory transferred in 1999 is declining and will terminate completely in 2037. More resources will need to be dedicated to the operations and maintenance of public housing.

Construction costs also contribute to the rapidly increasing housing costs in Nunavut. It is not expected that this trend will drop in the near future for Nunavut or for the north in general.

The staff housing portfolio administered by the NHC includes over 1,271² units. Of these, approximately 217 are owned by the NHC; the remainder is leased. However, NHC is studying a range of options for staff housing. One example of the options was the building of condominiums in Iqaluit which were sold to GN staff.

The NHC is committed to delivering new and refreshing existing homeownership programs to assist people who are ready to gain the advantages of independence from the Public and Staff Housing Programs. Every new homeowner either frees up a rental unit, either in the public or staff housing portfolios, or reduces an existing home's occupancy level.

Unfortunately, homeownership remains unattainable for most Nunavummiut. Ongoing payments for basic shelter components are very high in Nunavut: in 2006, on average, it cost \$827 per month for fuel, water, garbage, power, insurance, maintenance, and land lease fees.

Public Housing Program costs, principally because of "hidden subsidies" for power, water/sewerage and garbage, continue to escalate. Average monthly costs in 2006 were \$1680 per month. Specifically costs were: water \$461, or 27%; power \$307, or 18%; fuel \$221, or 13%; garbage \$93,

¹ NHC 2004/05 Audited Financial Statements

² NHC Unit Inventory

or 6%; taxes and land leases \$34, or 2%; maintenance \$383, or 23%; and administration \$181, or 11%.

Critical Issues

- Implementing the Cabinet approved Nunavut Housing Trust Delivery Strategy annual schedule for intensified construction of new, affordable housing units using Nunavut's \$200 million share of the Northern Housing Trust.
- Working with all stakeholders, including NTI, on advocacy efforts to secure additional, multi-year federal funding investments for housing in Nunavut.
- Increasing the number of options for affordable housing for GN staff, which may include partially subsidized rental housing, homeownership and/or increased affordable private rental units.
- Investigating ways to provide integrated housing and social services to Nunavummiut through the "continuum of care" model.
- Finalizing and implementing the Nunavut Housing Strategy.

CORE BUSINESS

The programs of the Nunavut Housing Corporation are described below, within four business areas:

	Budget (\$000)			
	2007-08	2008-09	2009-10	2010-11
Advisory and Administrative Services	10,504	11,476	10,586	10,256
Public Housing	49,819	62,910	67,236	71,471
Staff Housing	38,431	38,431	38,431	38,431
Homeownership *	-	-	-	-
TOTAL	98,754	112,817	116,253	120,158

* Appropriations included in the 2008-2009 Capital Estimates

Advisory and Administrative Services

Advisory and Administrative services for the NHC are provided by a group of dedicated housing professionals. A team of 88 people works diligently to make the NHC an action-oriented service delivery agency. Our strength is in our dedication to delivering targeted housing solutions to all audiences: education, training and support to Local Housing Organizations (LHOs) in the areas of administration, finance, program delivery and technical construction techniques and procedures; homeowner services in the areas of finance, education and technical assistance; and coordination of housing-related lobby efforts on behalf of all Nunavummiut.

Objectives

- To increase coordination of housing policies and procedures in Nunavut.
- To increase staffing, delivery capacity, training and professional development for Nunavut Housing Corporation and the LHO staff.
- To increase the awareness and understanding of housing realities in Nunavut both in the territory and nationally.

Programs	Budget (\$000)	2007-08	2008-09	2009-10	2010-11
Corporate Governance		476	750	460	750
Responsible for managing the NHC to ensure consistent application of policy, standards and procedure and program delivery throughout Nunavut.					
Corporate Operations		2,100	2,700	2,100	1,600
Responsible for the administration of corporate policy, strategic planning and communications. Corporate Operations provides support to the Minister, the senior management team, and the regional offices.					

Corporate Policy and Planning	500	500	500	500
Accountable for the development and co-ordination of NHC policies in support of the Nunavut Housing Corporation's Vision, Mission, Mandate, and Goals and Objectives. This function is also responsible and accountable for research and economic and financial planning for the NHC.				
Corporate Financial Administration	1,263	1,263	1,263	1,143
Accountable for the overall management of the financial affairs of the Nunavut Housing Corporation, including safeguarding the NHC's assets, preparing and issuing financial reports, maintaining internal financial controls, and providing training and advice.				
District Program Administration	1,885	1,885	1,885	1,885
Responsible for managing the delivery of homeownership and housing repair programs, assisting the Local Housing Organizations in the delivery of rental housing programs by monitoring the management/partnership agreements, and providing a high degree of support to the Districts. Also accountable for the management of the mortgage and homeownership portfolio, which includes financial and educational counselling and training of clients.				
District Financial Administration	1,396	1,494	1,494	1,494
Fulfills a dual function in providing financial support to the Districts and in monitoring, evaluating and assisting LHOs with financial matters.				
District Technical Administration	2,884	2,884	2,884	2,884
Provides support and training to LHO maintenance staff. This function also manages the planning, implementation and administration of all capital construction and modernization and improvement projects. In addition, the provision of technical advice to homeowners supports delivery of the homeownership programs.				
Total, Advisory and Administrative Services	10,504	11,476	10,586	10,256

Priorities (2007-08)

- Working with the members of the Housing Trust Senior Officials Working Group to coordinate and monitor activities in support of the Housing Trust Delivery Strategy objectives, including initiatives involving training and apprenticeship across the territory.

Status: *Ongoing. Interdepartmental Working Group meets monthly under the chairmanship of the Vice-president NHT Implementation. Regional Working Groups have been established and a progress tracking system has been implemented.*
- Facilitating and evaluating new approaches to tendering, contracting and procurement as a key component of the Housing Trust construction delivery.

Status: *Ongoing. New approaches to tendering, contracting and procurement were undertaken and these will be monitored.*
- Work with NTI and other stakeholders to lobby the federal government to fund the remainder of the *Nunavut Ten-Year Inuit Housing Action Plan*.

Status: *In 2008-09, the NHC will work on Next Steps which will produce a Housing Needs Study and a Housing Strategy to provide a clear and accurate picture of Nunavut housing and to establish a course of action to meet those needs. NHC began initial discussions with the federal government in 2007-08 towards meeting Nunavut's unique housing needs and this process will continue in 2008-09.*
- Address financial accountability and sustainability with LHOs.

Status: The new funding model for the LHOs makes them more accountable for the administration and maintenance budgets as well as for collection of the rents for public housing. NHC will continue to provide assistance to LHOs in the areas of financial management, administration, project management.

- Preparing a draft Nunavut Housing Strategy in the winter/spring of 2007-08.

Status: NHC issued an RFP which closed on Sept. 20, 2007. Draft strategy expected in March 2008 and NHC will submit the final strategy to Cabinet for approval in the late Spring of 2008 and expects to begin implementation in the fall of 2008.

- Improve communications among corporate divisions and districts.

Status: NHC website was updated in 2007. Weekly Senior Management Committee conference calls increase information flow.

Priorities (2008-09)

- Strengthening LHO financial management by NHC paying directly the non-controllable utility expenses for LHOs and allowing them to dedicate their resources to increased internal financial management on administration, maintenance and collection of rents.
- Continued partnering with other departments and agencies to achieve objectives for specific projects for LHO enhancement. e.g., water and sewer project.
- To investigate ways to reduce energy and water use and build on M&I energy efficiency report and review increased options.
- To break down tendering into commodity groups for further savings through sole source contracting. e.g., drywall, roofing, and looking at getting distributor pricing.

Public Housing

The NHC accomplishes community-sensitive delivery of the Public Housing Program by providing financial resources, as well as ongoing professional support, to its delivery agents, the 25 LHOs. LHOs are responsible for the complete care of the approximately 4,086-unit portfolio, from unit allocations and rental assessments/collections, to maintenance and repairs, and energy upgrading.

Objectives

- To facilitate and provide technical and financial training and upgrading for our LHOs.
- To increase the number of adequate, suitable and affordable dwelling units in Nunavut.

Programs	Budget (\$000)	2007-08	2008-09	2009-10	2010-11
Leased Units – Rent Supplement		7,039	7,039	7,039	7,039
Two-hundred, sixty-six leased public housing units throughout the territory. Provides an opportunity for the private sector to provide much needed public housing rent supplement units without the capital expenditure required for the construction of new units.					
Administration and Maintenance		31,172	32,373	33,763	35,145
The Administration and Maintenance component includes such items as salaries and benefits, equipment and supplies to perform each demand and preventative maintenance, travel, and training.					

Utilities	53,741	55,909	58,418	60,912
Covers the cost of utilities for the Public Housing Program. Utility expenses include power, fuel, water and sewerage, and garbage collection.				
Taxes and Land Leases	1,633	1,705	1,789	1,873
Covers the cost of taxes and land lease expenses.				
Debt Recovery	27,512	26,451	25,323	23,588
Remitted to CMHC to pay down the debt on the public housing portfolio, which was about \$170 million as at March 31, 2006.				
Rental Revenue	(7,499)	(7,291)	(7,499)	(7,499)
LHOs assess public housing rents and are responsible for their collection. Revenues collected are discounted 3% as an allowance for bad debt. The remainder is used to offset the cost of administering the Public Housing Program.				
Other Revenue	(63,779)	(53,276)	(51,597)	(49,587)
CMHC contributions for Social Housing and own-source revenue.				
Total, Public Housing	49,819	62,910	67,236	71,471

Priorities (2007-08)

Continue to implement all components of the Housing Trust Delivery Strategy, including:

- Construction of new, affordable units according to approved community allocations.
Status: *Delivery of 116 units from 2006 and 217 (including MAPs) from 2007 are mostly on track. Most 2007 units should be closed in by December 2007. Construction schedules will be adjusted based on community capacity.*
- The use of labour-only delivery methods that fit with community capacity and, wherever possible, include the participation of local firms.
Status: *2007 community delivery included twelve LHO deliveries; nine sole source contracts; three public invitational tenders and one Capital Construction Authority Agreement.*
- The enhancement of community housing profiles that contain information about specific local housing issues, capacity and requirements for 2007-08.
Status: *Ongoing. Profiles being compiled in 2007 and will be further enhanced in 2008-09.*
- To work with LHOs to develop standards for financial management and build capacity through providing training for financial management.
Status: *Ongoing. NHC is committed to provide standards for financial management within the LHOs and will provide assistance with training to the LHOs.*
- Tendering a proposal to conduct a Housing Needs Study in 2007 which will provide a clear picture of actual needs.
Status: *NHC is currently considering a proposal from the Nunavut Association of Municipalities to undertake this work and expects that interviewing will begin in January 2008.*
- To work with LHOs to prepare credible waiting lists of unhoused people.

Status: *The Housing Needs Study will provide a credible waiting list for unhoused people in spring of 2008.*

- To establish, update and maintain a data base of public housing assets and clients that would be easily accessible.

Status: *NHC is currently reviewing data base software options to undertake this task and expects to have the data base up and running in 2008.*

Priorities 2008-09

- Track NHT initiatives to ensure delivery of 725 units with a view to cost control.
- Continue to review 2007 delivery schedule and make adjustments as required to ensure enhanced 2008 delivery.
- Prepare a plan for using LHOs to develop the workforce in Nunavut communities.
- Investigate ways to reduce energy and water use and build on M&I energy efficiency report and review increased options.
- Look at developing an LHO construction arm where there is no community contracting base and developing an established local workforce for construction.

Staff Housing

Through the Staff Housing Program, the NHC provides owned and rented units to GN staff, as well as a range of housing-related programs and services to eligible staff. Currently, over 90% of staff housing stock is in the form of leased units, accounting for the majority of the staff housing budget. Significant policy and procedural work will continue over the next five years as we investigate, revise and refresh virtually all areas of staff housing.

Objective

- To provide rental housing to term and indeterminate GN employees.

Programs	Budget (\$000)	2007-08	2008-09	2009-10	2010-11
Operations		5,674	5,674	5,674	5,674
Provides the day-to-day operations for the Staff Housing Program in a decentralized environment.					
Leases for Staff Housing Rental Units		32,757	32,757	32,757	32,757
Representing 90% of the line of business portfolio, provides about 1,100 rental units.					
Total, Staff Housing		38,431	38,431	38,431	38,431

Priorities (2007-08)

- Continue the implementation of the revised GN Staff Housing Policy, including the leasehold attrition plan, to be in effect by 2010 in Iqaluit.

Status: *NHC will only commit to future and existing leases until 2010 in Iqaluit and 2015 in Rankin Inlet and Cambridge Bay.*

- Monitor the impact of the new Staff Housing Program rent increases and the demand for the Rental Assistance Program and prepare a report for the spring of 2007.
Status: *NHC has prepared a One Year Staff Housing Review and will continue to monitor the Staff Housing policy in consultation with the Department of Human Resources.*
- Construct incremental staff housing in the communities of Kugaaruk, Repulse Bay, Kimmirut, and Resolute Bay.
Status: *NHC expects to complete these units in the early months of the winter of 2008.*
- Implement the Staff Housing Supply Strategy and ensure that any additional supply is represented in the Capital Plan for 2007-08 and beyond and prepare a staff housing delivery plan for allocation needs over the next three years.
Status: *In response to GN budget constraints, NHC is implementing a focused approach of providing staff housing to coincide with the development of new facilities. For example, NHC will increase staff housing in Gjoa Haven and Igloodik to assist the operation of the continuing care facilities in those communities.*
- Establish, maintain and update a database of staff housing clients and asset.
Status: *Expected to be implemented in 2008.*
- Prepare a comprehensive list of vacant staff units in Nunavut.
Status: *Vacancy listings will be prepared quarterly and reported to Deputy Ministers and the Minister. This could expand to monthly reporting with the successful implementation of the software program.*

Priorities (2008-09)

- Providing an increased range of options to GN employees to encourage homeownership.
- Increased co-ordination of new staff housing provision with NHC and GN Capital Plan.
- Identification of training and staffing opportunities for Beneficiaries within Staff Housing Division.

Homeownership

Through its Homeownership Programs and NHC financing options, the NHC assists residents who can afford the costs of homeownership to secure and maintain their own housing. The NHC can also provide short-term guarantees for interim financing. As well, client counselling services are provided to homeowners. These services include, but are not limited to, consultations regarding new construction/renovation, bank financing, home budgeting and energy conservation in the home.

Objective

- To support new homeowners through down payment assistance and to support existing homeowners through funding for vital home repair and renovation projects.

Programs

Appropriations included in the 2008-2009 Capital Estimates

Nunavut Down Payment Assistance Program

Provides a \$25,000 forgivable loan to new homeowners and a \$15,000 forgivable loan for purchasing existing houses in Iqaluit. Homeowners in Rankin and Cambridge Bay would receive \$45,000 for new homes and \$30,000 for existing homes. Other communities in Nunavut would receive \$75,000 for new homes and \$50,000 for existing homes.

Emergency Repair Program

Provides financial help of up to \$15,000 to clients in existing private homes to undertake emergency repairs.

Nunavut Home Renovation Program

Provides financial help of up to \$65,000 to clients in existing private homes to undertake renovations, of which \$15,000 must be related to increasing energy efficiency.

Senior Citizens' Home Renovation Program

Provides financial help of up to \$15,000 in a grant plus freight to seniors who own their homes to undertake renovations.

Tenant-to-Owner Program

Allows tenants who are able to assume the responsibility of homeownership to purchase their public housing unit. The NHC will replace units sold under this program within three years.

Seniors and Disabled Persons Preventative Maintenance Program

A \$1,500 annual grant to assist elderly and/or disabled homeowners to complete annual preventative and general maintenance of their homes in order to ensure continued comfortable and safe occupancy.

Senior and Disabled Homeowner Options Program

NHC introduced the Supports to Senior and Disabled Homeowner Options Program in June 2006 to assist seniors who were in financial distress or suffering from physical disability to live in more comfortable conditions.

Material Assistance Program

Provides a 10-year forgivable loan for a material package to be delivered to the high-water mark in the client's community. Several fresh, culturally-relevant three-bedroom and four-bedroom single-family dwelling designs are available. The client is responsible for obtaining financing from a financial institution to pay for the construction cost. The building must be constructed by an NHC-recognized contractor.

GN Staff Condominium Program

Creates a supply of affordable staff accommodations and offers homeownership opportunities to GN staff that are able to assume the responsibility of homeownership. Also provides assistance in the administration of condominium corporations.

Homeowners Energy Efficiency Rebate Program

Provides 50% rebates to homeowners who are making their homes more energy efficient. Eligible costs include materials, labor, shipping costs, and home energy audits.

Total, Homeownership

Appropriations included in the 2008-2009 Capital Estimates

Priorities (2007-08)

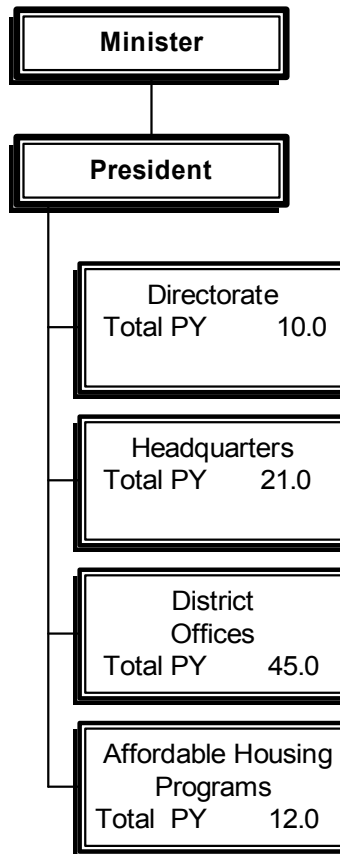
- Provide more counselling, community information sessions and educational materials for potential homeowners throughout Nunavut. Monitor the start-up of the Material Assistance Program, determine need for changes and prepare a report in early 2007 for 2008 intake.
Status: *NHC and CMHC began the First-time Home Buyers Seminars in 2007 in Iqaluit, Rankin Inlet and Cambridge Bay. NHC will continue to hold seminars in communities in the fall and winter of 2007-08. In partnership with the NHC, the CMHC has supported MAP by offering the CMHC Home Ownership Enhancement Flexibilities which facilitates prospective homeowners in securing mortgage financing through the use of mortgage underwriting "flexibilities."*
- Prepare a report on the implementation of the Seniors' and Disabled Persons Preventative Maintenance Program for the spring of 2007.
Status: *NHC is working on a report which will be completed in March 2008.*
- Prepare a public awareness campaign on energy efficiency for housing and include it in our community meetings.
Status: *NHC launched the Homeowners Energy Efficiency Rebate Program in the fall of 2007 and introduced the \$15,000 Home Renovation Program enhancement in September 2007.*
- To monitor the implementation of the Interim Financing Program and to prepare a report before deciding upon future extensions.
Status: *NHC anticipates this report to be ready in March 2008.*

Priorities (2008-09)

- Provide enhanced financial counselling for clients of Homeownership programs.
- Provide more training to NHC staff in mortgage administration and financial counseling.
- Establish mortgage collection processes and re-financing procedures for impaired mortgages.
- Prepare and introduce a program to assist GN staff to move from staff housing into homeownership.
- Conduct a homeowner information campaign with Energy Centre to promote energy efficiency.
- Promote condominium homeowner options in Iqaluit, Rankin Inlet, and Cambridge Bay by moving forward with condominiumising existing units and promotion.

APPENDIX I: Accounting Structure and Financial Summary

Accounting Structure Chart



Person Years (PYs)	Total
Vote 1 PYs	88.0
Vote 4/5 PYs	-
Revolving Fund PYs	-
Total PYs	88.0

Departmental Roles

Directorate

The Executive is responsible for managing the NHC to ensure consistent application of policy, standards and procedures, and program delivery throughout Nunavut. It also oversees the development of long-range plans, policies, and operational guidelines on corporate matters for the Minister responsible for the Nunavut Housing Corporation and for the Executive Council (Cabinet). As well, it ensures that programs are delivered according to the NHC's funding agreement with Canada Mortgage and Housing Corporation (CMHC).

Corporate Headquarters

Corporate Headquarters is responsible for the development of corporate policy, strategic planning and communications. Corporate Headquarters provides support to the Minister, the Corporate Executive and to the regional offices. It coordinates the preparation, monitoring and reporting of the Corporate O&M and capital budgets, administers the loan portfolio and provides accounting and treasury services. It provides support to the regions in the areas of programs, contracting, project management, design and maintenance.

District Offices

Delivery of services and support to communities in programs and services is managed through the NHC's District Offices. District Offices set regional priorities and work with LHOs and individual clients to ensure programs are being delivered to appropriate standards through monitoring and assessment. They also carry out the delivery of services when not undertaken by the local community. The District Office is responsible for ensuring the construction program is successful in their region. They are also responsible for developing a positive relationship with other government departments and agencies.

Local Housing Organizations (LHOs)

The NHC is partnered at the community level with LHOs. LHO staff performs most of the day-to-day duties associated with program delivery to individuals and families. Most LHOs are formed as independent organizations under the *Societies Act* (Housing Associations). The Iqaluit Housing Authority is formed under the Nunavut Housing Corporation Act. Some communities include the housing function within the municipality.

Relationships with the LHOs are based on operating or partnership agreements. Under the Public Housing Program, duties include allocation of housing to community residents according to need. And also LHOs provide related administrative and maintenance services. Several LHOs also have responsibility for parts or all of the home repair and homeownership programs. The partnership between the NHC and the LHO is based on a cooperative investment of resources (time, funding, materials and support).

Amortization

The NHC owes CMHC approximately \$170 million for outstanding mortgages in the social housing portfolio. These mortgages will be paid out by 2037, at which time the NHC will neither be indebted to nor receive funding from CMHC under the Social Housing Agreement.

Investment Strategy

Information on the investment activity of the NHC is required in the Corporate Business Plan to comply with subsection 91(2) of the *Financial Administration Act*.

The types of investments the NHC is restricted to are those specified in subsection 81(1) of the *Financial Administration Act*, which states:

A public agency may invest money belonging to the public agency:

- a. in certificates of deposit, deposit receipts, notes or other evidences of indebtedness given by a bank in consideration of deposits made with the bank;*
- b. in securities where repayment principal and interest is unconditionally guaranteed by a bank.*

The NHC invests surplus funds in the short-term money market to generate a reasonable return and to ensure a high level of liquidity to meet daily operating requirements.

Financial Summary

Branch	2007 – 2008 Main Estimates		2008 – 2009 Main Estimates		2009 – 2010 Planned		2010 – 2011 Planned	
	\$000	PYs	\$000	PYs	\$000	PYs	\$000	PYs
HEADQUARTERS								
Salary	3,247	29.0	3,533	31.0	3,230	30.0	3,090	26.0
Grants & Contributions	-		-		-		-	
Other O&M	1,092		1,692		1,093		903	
Subtotal	4,339		5,225		4,323		3,993	
DEBT REPAYMENT								
Salary	-	-	-	-	-	-	-	-
Grants & Contributions	-		-		-		-	
Other O&M (includes CMHC contributions)*	27,512		26,451		25,322		23,588	
Subtotal	27,512		26,451		25,322		23,588	
DISTRICT OFFICES								
Salary	4,589	44.0	4,870	45.0	4,687	45.0	4,687	45.0
Grants & Contributions	-		-		-		-	
Other O&M	1,576		1,576		1,576		1,576	
Subtotal	6,165		6,446		6,263		6,263	
AFFORDABLE HOUSING								
Salary	1,089	12.0	1,101	12.0	1,089	12.0	1,089	12.0
Grants & Contributions (includes CMHC contributions)	86,086		89,528		93,510		97,470	
Other O&M	37,342		37,342		37,342		37,342	
Subtotal	124,517		127,971		131,941		135,901	
TOTAL FUNDED	162,533	85.0	166,093	88.0	167,849	87.0	169,745	83.0
*Less: CMHC contributions and other revenue	(63,779)		(53,276)		(51,596)		(49,587)	
TOTAL GN FUNDED	98,754	85.0	112,817	88.0	116,253	87.0	120,158	83.0

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Nunavut
Arctic College

Corporate Plan

2007-2012



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Evolution of Nunavut Arctic College

Nunavut Arctic College (NAC) celebrated its twelve anniversary in 2007. In its short history Nunavut Arctic College has become a major contributor to the development of the new Territory and premier provider of quality opportunities for learning for all adult learners in Nunavut. The programs and services offered by the College are geared to meet the growing need for accessible and relevant post-secondary education and training programs, which will prepare individuals for the many employment opportunities in Nunavut. Programs are delivered at the major college campuses in Iqaluit, Rankin Inlet, and Cambridge Bay, and through Community Learning Centres that are located in 24 of 26 communities in Nunavut. The Head Office for the college is located in Arviat.

NAC has some of the most unique and successful university partnership programs offered anywhere in the country. The Nunavut Teacher Education Program continues a twenty-five year relationship with Canadian Universities in the delivery of this program. In 2007, a new university partnership was struck with the University of Regina. This program gives students the opportunity to obtain a Bachelor of Education degree entirely in Nunavut. The college has worked with Dalhousie University to develop a baccalaureate degree in Arctic nursing, and delivery of the Nunavut Nursing Program began in September 1999. Nunavut Arctic College was pleased to see the first graduates of the program in the spring of 2004. Eleven students graduated from the Akitsiraq Law School, an LLB Program offered in partnership with the University of Victoria Faculty of Law, in June 2005.

The Nunavut Research Institute (NRI) is also an important part of Nunavut Arctic College. The Institute provides leadership in developing, facilitating and promoting traditional knowledge, science, research and technology as a resource for the people of Nunavut. The Institute operates out of facilities located in Iqaluit and Igloolik.

Nunavut Arctic College receives its yearly operating revenue from many sources. The College is provided with base funding by the Nunavut Department of Education. For 2006-2007, this amount, including an adjustment for salaries totals \$15.899 million. Additional revenue, including tuition and fees, room and board, investment income and net contract revenue, brings the College's revenue for base operations to \$17.934 million.

In addition to the base budget, the College receives considerable third party funding from the Government of Nunavut, Inuit organizations and other funding partners for the delivery of specific programming. Examples are: \$1.879 million from the Department of Education for the community-based portion of the Nunavut Teacher Education Program; \$898 thousand from the Municipal Training Organization; \$600 thousand from the Nunavut Housing Corporation. In 2006 – 2007 third party funded training is expected to exceed \$ 7 Million.



The Board of Governors' Challenge

The Board of Governors is committed to providing leadership and direction for Nunavut Arctic College by establishing policy and defining the values and vision which will allow for the continual improvement of the college. In March 2004 the Board of Governors passed the following: Motion # BG-101-2004.

“ Whereas the BOG of NAC recognizes that Inuit are the vast majority of students at NAC; and whereas the BOG also recognizes that Nunavut is unique in Canada in that it came into being at the behest of the Inuit through the Nunavut Land Claims Agreement; therefore be it resolved that Inuit ways of learning and knowing, Inuit traditional knowledge and Inuit culture shall be the foundation for all programs, all curricula and designs for capital projects of NAC, effective immediately; be it further resolved that any academic programs or curricula so developed shall to the greatest extent possible be delivered in Inuktitut or Inuinnaqtun; and be it further resolved that any academic programs or curricula so developed must also adhere to stringent academic standards and preserve the principle of transferability of credits to other learning institutions.”

Management's Response

In order to place the motion passed by the board into a proper context, Teaching and Learning Principles were developed by the Language and Culture Committee to serve as guideposts as we move to create a learning-centered institution that reflects Inuit values, beliefs and knowledge. These Principles were endorsed by the board and state:

Nunavut Arctic College is an inclusive institution that:

1. Respects and honors Inuit language and culture.
2. Involves Elders as an integral part to college life.
3. Promotes an understanding of Inuit culture and language.
4. Values our students' connections to family and community.
5. Prepares students for meaningful careers and healthy lives.
6. Places the well being of students first and provides a strong caring network of support.
7. Promotes learning as a positive life-changing experience, involving the whole person body-mind-spirit.
8. Encourages the personal, professional, and academic development of students and staff.
9. Engages learners as active participants in all aspects of learning and evaluation.
10. Ensures our graduates meet national standards.



Mission

To strengthen the people and communities of Nunavut by providing life-long learning opportunities for Nunavummiut adults by appropriately delivering quality career programs developed with input from our partners throughout the Arctic, and by making the benefits of Inuit traditional knowledge and southern science more accessible.

Vision

Nunavut Arctic College will strive to be the college of choice for the people of Nunavut by offering culturally relevant programs of the highest national standard. In the advancement of their language and culture, our graduates will value education and will be proud to take their place in Nunavut and beyond.

Values

Nunavut Arctic College is a creative community of educators and learners. We are proud of our essential role in providing education that bridges the Nunavut of yesterday, today, and tomorrow.

We value our learners and are committed to their success by:

- Engaging and challenging our students in learner-centred programs;
- Supporting learners through personal interaction, small scale learning environments, and sensitivity to the needs of students;
- Integrating Inuit culture and knowledge in our programs.

We value a positive and productive learning and working environment by:

- Offering innovative programs to meet the requirements of a wide range of learners;
- Providing services that acknowledge learners as multi-faceted individuals and promote student success in all areas of life, as workers, community members, volunteers, family members, and parents;
- Establishing and achieving College objectives through the application of research and transparent practices, and through the services of NRI establishing the highest research standards.

We value strong connections to the communities we serve by:

- Utilizing community-based delivery models for programs;
- Valuing exchange and interaction with communities and acknowledging the community's role in establishing educational priorities for the College.

We value our partnerships by:

- Collaborating with other institutions and organizations in order to provide a broad range of programs and services for the people of Nunavut.



The development of this Corporate Plan will be guided by our mission, vision and values but driven by the challenge presented to us by the Board of Governors to build a college that mirrors Nunavut in terms of its adherence to Inuit Qaujimajatuqangit.

Strategic Link to the Nunavut Land Claims Agreement

Nunavut Arctic College (NAC) recognizes its obligation to assist the Government of Nunavut (GN) and Nunavut Tunngavik Inc (NTI) in achieving the objectives of the Nunavut Land Claims Agreement (NLCA). In particular Article 23 of the NLCA has as its objective "to increase Inuit participation in government employment in the Nunavut settlement area to a representative level". Since the population of Nunavut is now approximately 30,000 and 85 % of the population are Inuit then Inuit should occupy 85% of the positions in government. NAC will continue to work with all government departments and NTI to offer relevant education and training that will prepare Inuit for employment opportunities in government. Over the next five years NAC will link our goals and objectives to those of the GN and NTI to fulfill the obligations of Article 23.

Strategic Link to Pinasuaqtavut

Nunavut Arctic College continues to support the Government of Nunavut in its second mandate as it works towards building a stronger economy and cultural foundation. NAC is committed to the four main goals as outlined in Pinasuaqtavut – building healthy Communities, embracing Simplicity and Unity, developing Self Reliance and supporting Continuing Learning. Nunavut Arctic College is encouraged by the emphasis placed on education and training throughout Pinasuaqtavut. Over the next five years we are committed to the following objectives in the implementation of Pinasuaqtavut.

- **Healthy Communities:** the College will continue to develop and implement a Health Care Training strategy to prepare Inuit for careers in the health care profession. NAC will work with the Department of Education to expand the Teacher Education program in order to prepare more Nunavummiut for teaching careers. The College will support the development and delivery of literacy programs in both Inuktitut and English as the foundation of healthy individuals and communities.
- **Simplicity and Unity:** the College will cooperate with all levels of government to provide training and education. We will unify regional campuses and community learning centers with inclusive policies and practices that encourage open participation in College planning. The college commits to the development of Schools of Excellence that builds on the unique strengths,

resources, and practices of each regional campus. Public documents will be written in plain language for ease of translation.

- **Self Reliance:** the College is committed to building a culturally responsive institution that recognizes Inuit values and culture as the foundation of everything it does. The College will offer more programs at the community level in order to equip the people of Nunavut with the skills needed to find meaningful employment.
- **Continuing Learning:** the College is committed to working with our various partners to deliver more programs at the community level including career and academic preparation, as well as more certificate and diploma programs. As well NAC will establish partnerships to offer more degree programs in Nunavut. Nunavut Arctic College will establish a trade school in Nunavut. NAC is also committed to increasing Inuit adult educators and Inuit employment at all levels of the organization.

Strategic Link to the Nunavut Adult Learning Strategy

The Nunavut Adult Learning Strategy (NALS) recognizes the important role Nunavut Arctic College plays in the delivery of post-secondary education and training programs in Nunavut. NAC supports the Goals and Objectives of NALS and is committed to working collaboratively with the Department of Education and other partner organizations to move forward with the implementation of the strategy. NAC's current and future planning will be linked to the NALS implementation plan.



Kitikmeot Graduates 2007

**ABE Graduates 2007
Cambridge Bay**



Inuit Employment Summary

Nunavut Arctic College endorses and supports the Government of Nunavut's Inuit Employment goal of 56% across all occupational categories by 2009. Currently, the College has a total of 124 positions of which 17 positions are vacant and 49 positions are held by beneficiaries. The College will endeavor to fill vacant positions with beneficiaries and the overall Inuit employment is expected to increase to 55% by 2009 and 59% in 2010. A Human Resources plan needs to be developed to ensure beneficiaries are prepared to assume professional and paraprofessional positions.

Inuit Employment Representation	Current Positions	2007	2008	2009	2010	2011
Total Positions	124	131	137	138	139	139
Total Vacancies	17	21	20	13	7	3
Executive	1					
Beneficiaries	0	0	0	0	1	1
Senior Management	7					
Beneficiaries	2	2	2	3	3	3
Vacancies	1	1	1			
Middle Management	17					
Beneficiaries	3	3	4	6	7	7
Vacancies	4	4	3	1		
Professional	56	61	66	67	68	
Beneficiaries	16	18	22	26	30	34
Vacancies	8	13	15	12	9	5
Paraprofessional	20					
Beneficiaries	8	8	9	11	12	12
Vacancies	2	2				
Administrative Support	24	25	26			
Beneficiaries	20	20	21	22	24	24
Vacancies	4	4	4	3	1	1
Total Positions less Vacancies	108	110	117	125	132	136
Total Beneficiaries	49	51	58	69	78	82
Percentage Inuit Employment	45%	46%	50%	55%	59%	60%

Note:

1. Beneficiaries will be given priority in the filling of vacant positions over the next 5 years.
2. In the area of paraprofessional where vacancies are low, beneficiaries will be hired through employee attrition.
3. Additional Instructors will be hired for the expansion of NTEP and the Trades Program Development in the professional category.



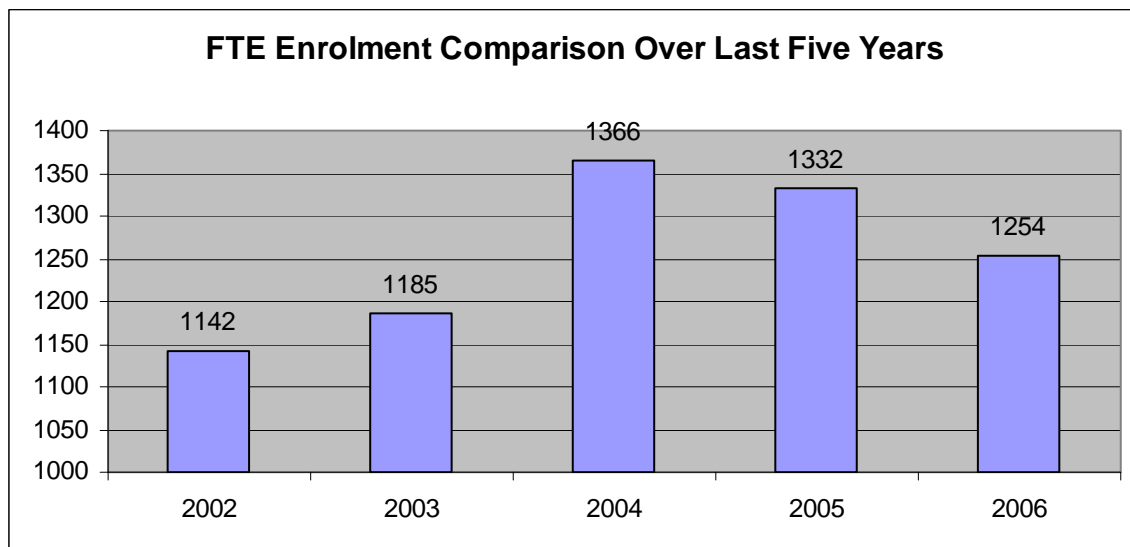
Environmental Scan

Nunavut Arctic College faces a unique challenge and a number of emerging opportunities as we look to the future. There are a variety of social and economic conditions that are creating hardships for Nunavummiut in many communities. The quality of life for the people of Nunavut can be improved with the development of a well trained workforce so that they can take advantage of the many opportunities emerging in the territory. This underscores the important role Nunavut Arctic College needs to play in developing quality education and training programs that are accessible, culturally relevant and are geared to labor market needs.

Responding to these challenges and opportunities will shape the strategic direction of the College during the coming years. Factors that influence this situation include: financial resources, population and demographic trends, educational levels, political developments, economic indicators, language and culture, science and technology, research and investment.

Post-Secondary Enrolment

Enrolment in programs at Nunavut Arctic College has been high in recent years reaching the highest levels ever attained in 2003-2004. The reason for this is an increase in enrollment in our base funded programs and our university partnership programs. Customized training also increased steadily during this period due to the college strengthening its partnerships with the various funding agencies and offering more programs at the community level.



Critical Issues

Critical Issues are circumstances and conditions that have been identified as major factors that could affect the decision-making process within the college. There are many other issues which may emerge from time to time but for the purposes of this Corporate Plan attention will be focused on the following seven critical issues.

Financial Resources: The demand by the public for greater access to programs while operating within a period of fiscal restraint continues to provide a unique challenge to the College in responding to community-based requests for training and education. The College has established a funding allocation model that should serve as a basis for forecasting multi-year funding requirements.

Population and Demographic Trends: The continued population growth of Nunavut will exert pressure on the College to provide post-secondary education to meet the needs for job opportunities. The College will need to make a significant investment in infrastructure to provide more space for student housing and expanded learning facilities.

Educational Levels: The number of students graduating from high school continues to increase and there will be a corresponding increase in the demand for post secondary programs. However, there continues to be a need for increased adult basic education throughout the territory in order to provide mature students with the academic foundation needed to be successful in higher education programs.

Political Developments: The College is a board governed Crown Agency of the Government of Nunavut which provides its principle sources of funding. Government priorities set out in documents such as Pinasuaqtavut and the Nunavut Adult Learning Strategy will influence planning and priorities within NAC for the period covered by this plan. As well, discussion around devolution in relation to Article 23 could have major implications for the college in the next three to five years.

Economic Indicators: There has been a dramatic increase in the construction industry and in mine exploration over the past years. The College needs a large investment in infrastructure in order to respond to the demand for trades and mining training within Nunavut.

Language and Culture: In order to preserve Nunavut's cultural heritage, Inuit Qaujimaqatugangit knowledge, skills and values, and the Inuit languages need to be the foundation for all academic programs and services offered by the college.

Science and Technology: The College lacks the information technology resources that are required to adequately meet the needs of the three Regional Campuses and 24 Community Learning Centers, and the growing demand for delivery of programming via distance technology.

The Achievements

Before looking ahead to the future it's important to look at what has been accomplished in twelve years since the creation of Nunavut Arctic College and to ask the question "What difference has Nunavut Arctic College made to the new territory of Nunavut and its people"?

Administration of Programs and Services

As part of the governments' commitment to ensure jobs are available to Nunavumuit in all parts of the territory, the Head Office was re-located to Arviat in 2001. The Academic Affairs, Finance and Administration as well as Corporate Services divisions are located there. The Head Office is responsible for the overall planning, coordination and direction of the academic and administrative affairs of the College. Some accomplishments to date include:

- Achieving 60% Inuit employment at the Head Office.
- Development and delivery of a number of successful customized training programs such as MTO Program and Mental Health Diploma Program.
- Improved access to Library Services throughout the College.
- Appreciative Inquiry summit held with staff and other stakeholders in August 2005, an implementation plan is being developed.
- A Language and Culture Committee established to meet regularly and advise on culturally appropriate curriculum.
- Administrative and financial systems have been strengthened.
- Graduate placement surveys show that NAC graduates are finding employment in record numbers soon after graduation and would recommend NAC to others.

Kitikmeot Campus

The Regional Campus, located in Cambridge Bay is responsible for all adult programming in the Kitikmeot region. In addition to offering the Human Service Counselor program in Cambridge and ABE as a based funded program in all communities through the network of Community Learning Centres, the campus also delivers a number of programs in partnership with local agencies on a cost recovery basis. Some accomplishments for the region to date include:



Health Services Graduates 2007



- A new residence for students was built and opened in 2005 which has greatly improved the quality of life for students.
- Customized Training has increased in the region as a result of successful partnerships with organizations such as the MTO, Regional Inuit Organizations and various GN departments.
- NAC recruited a beneficiary as campus Director in 2004
- Inuit employment increased with the hiring of a Residence Coordinator.
- Computer operating systems have improved in all communities.
- The campus has been working closely with the Department of Education to consider ways to offer trades programs in the region.

Kivalliq Campus

The Regional Campus, located in Rankin Inlet is responsible for all Community Learning Centers and full time adult educators in all communities except Whale Cove. The campus offers Management Studies and Office Administration as base funded programs. Some accomplishments to date include:

- A Coordinator of Community Programs was hired in 2005 and as a result there was increased programming at the CLC's in the region.
- Maternity Care Worker Program was developed and offered as a pilot program in cooperation with the Department of Health & Social Services.
- Customized Training has increased in the region as a result of successful partnerships with organizations such as the MTO, Regional Inuit Organizations and various GN departments.
- The Community Aerodrome Radio Assistants program (CARS) was developed and delivered in cooperation with NAV Canada and Nunavut Airports.
- Office Administration Program was established as a based funded program in 2005.
- Achieved 100% Inuit employment for Adult Educators in the region in 2006.

Nunatta Campus

The Nunatta Campus, located in Iqaluit is the largest of the three regional campuses and is responsible for all programming and Community Learning Centers in the Baffin Region. The Campus offers programs in Nunavut Teacher Education, Nursing, Environment Technology, Language and Culture, and Fine Arts and Crafts as well as Literacy and Adult Basic Education programs.

- A beneficiary was hired as Campus Director in 2005.
- Increase of graduates from degree programs who have successfully obtained professional licenses.
- Increase in Community based delivery of credited programs.

- Eleven students graduated from the Akitsiraq Law program in June 2005 a pilot program offered in partnership with the University of Victoria.
- A review of the Nunavut Teacher Education Program was completed and plans for expansion of the program are in the works.
- A new student residence has been approved with construction to start in spring of 2007.
- Nursing became a base funded program and there was a general expansion of health related programs.
- Establishment of College Foundation Program increased access to diploma and degree programs.
- A new Mental Health Care program was developed and piloted in 2006.
- An Information Technology program was developed in cooperation with the Department of Community and Government Services for delivery commencing January 2007.
- Increased Language and Culture program publications and participation in International Inuit Studies Conference with research grant from the SSHRC of Canada.
- Now have a based funded Trades Program.
- Consistency in Human Resources policies and procedures.



Cape Dorset Graduates 2007

- The first carpentry apprenticeship students to complete the program entirely in Nunavut graduated in 2004.

Nunavut Research Institute

The Institute, located in Iqaluit with an office in Igloolik is responsible for administering the Science Act, which requires the licensing of all research projects that are not regulated under the Wildlife Act or the Archeological Site Regulations.

- Funding obtained from NSERC Promo Science Grants to work with schools in Nunavut.
- New research licensing guidelines in place and available on the redesigned website.
- New glossary produced for contaminants; the Institute will participate in the relevant public information sessions on climate change and continue to work with C-CAIRN.

- The Igloolik Research Centre collaborated in the production of “Anijaarniq” a CD-ROM on Inuit Landskills and Wayfinding.
- Funding obtained from the University of Toronto for an Arctic Health Research Network coordinator.

Partnership Programs

Partnerships with organizations that provide funding for training play an integral role in the Programs and Services offered by Nunavut Arctic College. These organizations include Regional Inuit Organizations, southern universities, various government departments and agencies such as the Municipal Training Organization, NHC and Apprenticeship and Nunavut Fisheries Training Consortium.

The support NAC has received from these organizations has allowed the college to respond more effectively to programming needs. Over the next five years, Nunavut Arctic College will continue to strengthen our ability to meet the educational and training needs of Nunavummiut through partnerships with businesses, industry, government and other educational institutions. In addition, NAC seeks innovative ways to increase access to programs by enhancing the college’s distance education capacity.



Graduates Jewellery and Metalwork Diploma – Cape Dorset 2007

Challenges and Opportunities

The accomplishments of the past twelve years provide the college with a good foundation from which to address the challenges and opportunities that fall within the scope of the next planning cycle. The 2007-2012 Corporate Plan recognizes NAC's obligation to serve territorial as well as regional and community needs. The following summarizes the key priority areas for each division:

Administration of Programs and Services

- Amending the Public Colleges Act for Nunavut.
- Building on existing partnerships to create more degree and advanced study programs.
- Responding in a timely manner to requests for the development of customized training.
- Increasing Inuit employment at all levels of the organization.
- Instituting action plans for positive change arising from the Appreciative Inquiry Initiative.
- Revising course and program curriculum to integrate Inuit languages, culture and knowledge.
- Ensuring the college continues to operate in a fiscally responsible manner.
- Planning and improving for the modernization of college infrastructure.
- Implementing changes as proposed in the Adult Learning Strategy.
- Developing a Strategic Plan for implementing Prior Learning Assessment Recognition.
- Developing and maintaining a user friendly web site.
- Developing tools for measuring performance of NAC's Programs and Services.
- Examining NAC's management structure to ensure it allows for the most efficient and cost effective way of managing the college.
- Developing effective distance education program delivery.

Kitikmeot Campus

The Kitikmeot Campus is not as far along in its development as the other two regional campuses. A lack of appropriate infrastructure to support the development of more programs that are needed in the region along with inadequate administrative facilities is a critical issue that needs to be addressed in this plan. The key priorities for the region are:

- Planning for the capital replacement of existing campus facilities.
- Working with Advisory Committee to ensure Inuit Qaujimagatuqangit is incorporated into the Diploma of Human Services Program and implementing a Community Based model for delivering Human Services Program into the communities.

- Sourcing funds to deliver mine related training in the regions.
- Identify programming needed at the community level.
- Recruiting and developing more positions for Inuit staff.
- Providing a greater level of Information Technology support within the region.
- Improving administrative accountability for finances, human resources and student information systems.



Gjoa Haven Graduates 2007

Kivalliq Campus

The Kivalliq Campus is poised to experience the most significant growth in its history. The decision by government to locate the Nunavut Trades Training Centre in Rankin Inlet will be the focus of much of that growth. In addition, increased demand for financial managers in government is expected to continue to put upward pressure on enrollment in the Management Studies and Office Administration programs. The campus will need a large investment in infrastructure in order to fulfill its mandate. Two main projects, the construction of the Trades Training Centre and new Student Residence are moving forward on the Capital plan. Key priorities for the next five years will be:

- Constructing the Nunavut Trades Training Centre.
- Building new residences for students with families.
- Delivering the Maternity Care Worker Certificate Program and piloting the Midwifery Diploma program.
- Developing a Business and Leadership Centre of Excellence.
- Delivering contracted training on behalf of partner organizations including the Department of Human Resources, NAV Canada/Nunavut Airports and the MTO.
- Developing and delivering Trades Programs for the Nunavut Trades Training Centre.

Nunatta Campus

The Nunatta Campus is the largest and most developed of the three regional campuses. The campus has had a lot of success in delivering programs such as the Language and Culture, Fine Arts and Crafts, Environmental Technology, Nursing and Teacher Education. The campus in Iqaluit is currently spread out over three locations. An expansion of the main campus is needed to provide the learning facilities needed to ensure continued growth. In addition specific plans need to be made to increase levels of Inuit employment. Currently only 33% of NAC employees in Iqaluit are beneficiaries compared to the overall college average of 45%. Some key priorities for the next planning phase are:

- Recruiting, training and developing more Inuit staff.
- Inclusion of Inuit Language and Culture as an integral part of our programs and delivery.
- Recruiting students with academic prerequisites necessary to achieve success.
- Improved retention through the delivery of support services that recognize the need for family support, childcare, counseling, recreation and financial advising.
- Expanding the Nunavut Teacher Education Program as a base funded program in the other regions.
- Building on the success to date, through creative partnerships, to deliver more certificates, diploma and degree programs at the community level.
- Reviewing funding requirements for base-funded programs and opportunities for increased third-party training.
- Developing infrastructure to improve services for staff and students by constructing new student residences and continuing with plans to expand the main campus.

Nunavut Research Institute

The Nunavut Research Institute operates from two locations Iqaluit and Igloolik. The building in Iqaluit is old and needs to be replaced. In Igloolik NRI has two staff currently located in the GN office building. The start of the International Polar year in 2007 is expected to significantly increase the work load of NRI. To date no additional resources have been provided to compensate for this. Maintaining services over the next few years without additional resources and working from the present facility is going to be a challenge for staff. The following are some key priorities which will need to be addressed:

- Maintaining and expanding the Igloolik Oral History Project through the Igloolik Research Centre.
- Reviewing all research proposals based on acceptable scientific and ethical standards according to Nunavut Research Agenda.

- Conducting and documenting research on relevant issues such as climate change, etc. for public distribution.
- Identifying community research project partnerships and facilitating the development of collaborative studies.
- Managing the additional work that will be created with the start of the International Polar Year in 2007.
- Maintaining services while working in a substandard facility in Iqaluit.



Major Goals and Strategic Initiatives

The next stage of Nunavut Arctic College's development will be based on a commitment to achieve four major goals. These goals represent the building blocks for NAC's continued growth and development. Each of these major goals will be linked to a number of strategic initiatives. The four major goals are:

- 1) Building a Culturally Responsive College
- 2) Maintaining and Improving Financial and Administrative Stability
- 3) Achieving Academic Excellence
- 4) Improving Programs and Services to Communities

Goal # 1 – Building a Culturally Responsive College

The motion passed by the Board of Governors in March 2004 was intended to ensure that Inuit Language and Culture was the foundation for adult learning at Nunavut Arctic College. At the same time the board stressed how important it was for the college to maintain appropriate academic standards for all curricula that is developed.

NAC has been working towards fulfilling the directions given by the board, but progress has been slow. In order for Inuit ways of learning and knowing and Inuit traditional knowledge to become our foundation we need to define our college and examine how we operate as an institution of higher learning. In August 2005 a college wide staff conference was held in Iqaluit to engage staff in discussions about the future direction for NAC. In the fall of 2005 a Language and Culture Committee was struck to further examine how to proceed with implementing the direction received from the board.

This led to the Director of Academic Affairs making a presentation to the board at its June 2006 meeting to provide an update on what has been done to date and to receive further direction. At its meeting in October 2006 the Board of Governors endorsed a set of Teaching and Learning Principles developed by the Language and Culture Committee to provide guideposts for NAC to become an inclusive learning institution where Inuit language and Culture is honored and respected. The following strategic initiatives identify the actions required to ensure these Principles become an integral part of NAC's operation and NAC continues to grow and develop as a culturally responsive College.

Strategic Initiatives:

- Broaden the role of the Language and Culture Committee.
- Expand the engagement of Inuit Elders as educators in NAC course delivery and curriculum development.
- Support the development of Inuktitut and Inuinnaqtun language teaching materials and language program delivery.
- Promote the celebration of cultural events, feasts and ceremonies at all campuses and community learning centers.
- Offer educational opportunities that explore Inuit ways of knowing and seeing the world for staff and students.
- Review the academic cycle to minimize conflicts with seasonal traditional pursuits.

Goal # 2 – Maintaining and Improving Financial and Administrative Stability

Nunavut Arctic College will need strong financial and administrative systems to continue its growth over the next five years. A lot has been accomplished in the past three years to strengthen NAC's financial and administrative systems; however, there is still a lot to do. There have been a number of improvements in the preparation and distribution of financial reports. For the year ended June 30th, 2006 NAC was able to eliminate its deficit by closely monitoring expenditures and generating additional revenues. There have also been improvements with respect to tabling of reports with the Minister Responsible for Nunavut Arctic College. The



annual report for 2005-2006 was approved by the BOG and tabled with the minister by November 30th, 2006. This was earliest the Annual Report had ever been tabled.

A new Funding Allocation model was approved by the Financial Management Board in February 2006. An integral part of the model is a comprehensive Program and Services Plan which will be done on an annual basis. This funding allocation model will establish a process for the college to have its financial and infrastructure requirements more thoroughly considered by the government. NAC has been working closely with the Crown Agency Council to consider ways to improve accountability and address issues raised by the Office of the Auditor General. NAC has prepared and submitted an audit plan that should allow for the college to complete the annual report and table it with the minister within the 90 period as required by the Public College's Act.

A number of corporate priorities need to be addressed as part of this process. NAC needs to consider ways of improving communications both internally and externally. As well, our technological infrastructure needs to be reviewed to ensure we have the capacity to support all of our operations and to develop more innovative ways of delivering programs such as distance delivery. NAC will also need a large capital investment in order to fulfill its mandate. A new capital plan needs to reflect the urgent need for new campus facilities in Cambridge Bay, new learning centres in some communities and the replacement of the Nunavut Research Centre in Iqaluit. Another corporate priority that needs to be addressed as part of this process is succession planning for Senior Managers and a commitment to increase levels of Inuit employment at all levels of the organization. Each divisional manager needs to identify specific actions required to achieve targets for Inuit Employment in support of government and board objectives.

Strategic Initiatives:

- Communications will improve with the launch of the new College website in both official languages, English and Inuktitut on February 1st, 2007.
- A Public Affairs Officer will manage college communications, public relations, promotions and marketing activities including the introduction of a college newsletter. The position is expected to start in the fall of 2007.
- An IT Coordinator will be stationed at Head Office which will allow Academic Affairs to work closely with IT in planning and development of innovative program delivery using the most current technology available to the college.
- NAC must work closely with the Department of Education to ensure adherence to the Capital Plan.
- Human Resources will work closely with managers in identifying plans to encourage Inuit Employment. In addition, Human Resources will conduct exit interviews with managers to determine the success in meeting targets. New



- strategies must be developed to encourage graduating students to continue their careers with the college.
- Create a President's committee to recommend organizational changes to improve territorial wide administration and delivery of programs.

Goal # 3 – Achieving Academic Excellence

The Academic Affairs division has provided a great deal of leadership within the college since its creation five years ago. The division has overseen the development of a number of new programs and has lead initiatives such as expanding library services across the college, promoting NAC's participation in the University of the Arctic and efforts to become a more culturally responsive college.

Expectations for NAC are high and the college's resources will continue to be stretched as we attempt to fulfill our mandate. Appendix 4 illustrates how the funding the college receives from government is spent to support base funded programs versus programs the college is expected to deliver which are funded through third party contributions. Some of the major pressure points in the next five years will be the establishment of trades programs in Rankin Inlet and Cambridge Bay, expansion of the Nunavut Teacher Education program, and developing more programs to train health care professionals.

The Academic Affairs division will need to continue to provide leadership by ensuring that programs are developed and delivered to meet national and international standards while incorporating elements of Inuit language and culture. Part of this process of continual improvement must also include the development of performance indicators that can be used to assess the quality and effectiveness of NAC's programs and services.

The roles and responsibilities of the Academic Affairs division will need to be reviewed to ensure it has the ways and means to provide the leadership that will be required. Recently the Customized Training Division was moved under the Director of Academic Affairs to ensure that third party funded programs are delivered to the same standards as base funded programs. The Academic Affairs division currently has responsibility for policy development, curriculum development and student records. Consideration must now be given to how the role of the division can be further expanded to have overall responsibility for program delivery.

Strategic Initiatives:

- Develop and implement an operational plan for the college that will, within resource constraints, ensure territorial wide delivery of campus-based programs.



- Establish a Circumpolar Studies Center in partnership with the University of Arctic contingent upon funding.
- Provide enhanced support to instructional staff through the establishment of an Instructor Development program and Staff Training Institute.
- Develop program and institutional Key Performance Indicators.
- Implement tools to measure performance.

Goal # 4 – Improving Programs and Services to Communities

The need for more career development programs at the community level is a message that is repeated in documents such as Pinasuaqtavut, the report by the Standing Committee on Health and Education on NAC released this year, as well as the Letter of Expectation received from the Minister Responsible for Nunavut Arctic College. The recently released Nunavut Adult Learning strategy further identified additional resources for literacy and adult basic education as a strategic priority so that Nunavummiut could be fully engaged in adult learning.

Currently Nunavut Arctic College supports the delivery of community based programs through Community Learning Centers located in 24 of the 26 communities. Centers are staffed with Adult educators who play a variety of roles including initiating programs, program coordination, and coordination of resources in the communities, supporting adult learners, assessing needs in the community and being the first point of contact for those wanting information or wishing to access services of the college. The adult educators are supported in their work by coordinators of community programs in each region as well as directors and support staff at the regional campuses and Head Office.

NAC is fortunate to have the CLC infrastructure and current complement of Adult Educators which have allowed for the progress we have seen to date. However there will need to be a larger investment in infrastructure as CLC's in some communities are old and need to be replaced. The capital plan will need to be amended to reflect these priorities. In addition NAC will be hindered in its efforts to increase programming that is needed at the community level without additional resources to support the development and delivery of these programs and the capacity to deliver some programs using a variety of distance delivery technologies.

NAC certainly needs to be the catalyst at the community level to improve program delivery, but there is also an important role for other organizations such as the Department of Education's Adult Learning division, Community Economic Development Organizations (CEDO's) and Regional Inuit Organizations. The creation of strong partnerships at the community level can go along way to bring about positive change. Part of the review of NAC's management structure also needs to consider if there are some efficiencies to be gained by having the activities

of Community Learning Centres managed on a territorial wide basis as opposed to the current regional approach.

Strategic Initiatives:

- Support College involvement in community processes and events.
- Strengthen partnerships with territorial and regional Inuit organizations.
- Increase capacity for distance delivery.
- Provide training programs for adult educators, leading to certification.



Learning Centre Students – Gjoa Haven 2007

Enrolment Projections

In order to accumulate data for capital requirements and budget purposes Nunavut Arctic College is providing, as part of this process, a multi year program plan for the period 2007-2012. This plan outlines the anticipated changes in full time enrolment (FTE) in categories of Academic Studies, Business, Teacher Education, Health and Applied Science, Fine Arts, Language and Culture and Trades.

These projections were based on the anticipated enrolment in NAC’s existing base funded programs as well as allowances for the addition of trades programs with the completion of the trades training centre in Rankin Inlet and for the expansion of the Teacher Education program in accordance with the recent review of the program. In addition, projections for customized training to be done on a cost recovery basis are included. These training projections are based on an analysis of industry trends in Nunavut. For example the current construction boom and the emerging mining sector have created a significant demand for trades training. (See Appendix 2).

Conclusion

The next five years is expected to be a period of significant growth for Nunavut Arctic College. A number of factors have combined to bring about the current situation. These include priorities for NAC as set out in Pinasauqtavut, the Nunavut Adult Learning Strategy and the Berger report to name a few. The need to develop a highly skilled workforce in Nunavut is also a contributing factor. Nunavut Arctic College has made significant contributions to the development of Nunavut to date, but can make even more of an impact if the priorities identified in this Corporate Plan can be acted upon.

NAC has matured as an institution in the last five years and as result is well positioned to take on the challenges the next five years will bring. The construction of the trades training centre in Rankin Inlet combined with new residences for students in Rankin Inlet and Iqaluit will greatly enhance NAC's infrastructure and improve the quality of the learning experience for students. Other capital requirements need to be addressed if NAC is going to be able to achieve its mandate. Two key capital priorities are the construction of a campus in Cambridge Bay and the replacement of the NRI building in Iqaluit.

Finally NAC will need to continue to build partnerships to support sustained growth and build capacity. Partnerships such as those that exist with the Municipal Training Organization or with universities in nursing and teacher education and our involvement in the University of the Arctic are all good examples of arrangements that increase programs and services to Nunavumuit. Increased collaboration with our partners will result in positive growth for NAC.



Nunavut Fisheries Coalition Students 2007



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1. Forecast of Operations

(In thousands)

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Revenues:					
GN Contributions	\$ 16,129	\$ 16,129	\$ 16,129	\$ 16,129	\$ 16,129
Contract Income	1,065	1,065	1,065	1,065	1,065
Room and Board	600	600	600	600	600
Student Fees	550	550	550	550	550
Other Revenue	286	286	286	286	286
NTEP Expansion	1,340	2,130	2,130	2,130	2,130
Trades Program		450	1,181	1,502	1,744
Investment Income	200	200	200	200	200
	20,170	21,410	22,141	22,462	22,704
Expenses:					
Salaries and Employee Benefits	15,059	15,059	15,059	15,059	15,059
Fees and Professional Services	955	955	955	955	955
Buildings and Utilities	185	185	185	185	185
Travel	1,139	1,139	1,139	1,139	1,139
Materials and Supplies	808	808	808	808	808
Minor Capital	197	197	197	197	197
NTEP Expansion	1,340	2,130	2,130	2,130	2,130
Trades Program		450	1,181	1,502	1,744
Purchased Services	487	487	487	487	487
	20,170	21,410	22,141	22,462	22,704
Excess of revenue over expenses	\$ -	\$ -	\$ -	\$ -	\$ -

Note:

- The amounts for the year 2007/08 are based on estimates contained in the Programs and Services Plan submitted to the GN.
- The estimates for 2007/08 to 2011/12 have been adjusted to allow for the Expansion of NTEP and implementation of the Trades Programs in 2008/09. No increases have been made for inflation or salary adjustments.



2. Enrolment Projections

	Courses	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Program of Studies						
Academic Studies -232	Adult Basic Education	120	120	120	120	120
	Pre Employment	100	100	100	100	100
	College Foundations	12	12	12	12	12
Business - 30	Management Studies	18	18	18	18	18
	Office Administration	12	12	12	12	12
Fine Arts - 12	Jewelry and Metalwork	12	12	12	12	12
Language and Culture - 24	Inuit Studies	12	12	12	12	12
	Interpreter	12	12	12	12	12
Health and Applied Sciences - 92	Nursing	36	48	48	48	48
	Human Services	20	20	20	20	20
	Environmental Technology	24	24	24	24	24
Education - 102	Nunavut Teacher Education	62	102	102	102	102
Trades - 210	Carpentry	30	30	30	30	30
	Plumbing			20	20	20
	Electrical			20	20	20
	Housing Maintainer	10	20	20	20	20
	Oil Burner Mechanic			10	10	10
	Heavy Equipment Operator			10	20	20
	Heavy Equipment Technician				10	10
	Mine Worker			10	10	10
	Millwright			10	20	20
	Welding			10	20	20
	Trades Access (3 locations)	30	30	30	30	30
Maximum Students - 702						
TOTAL	23 Courses	510	572	662	702	702

Note: Course offerings are based on a student capacity of 10 to 20 students per course. Enrolment projections include base funded only.



3. Facility Condition

Priority	Community	Facility	Condition	Project
1	Iqaluit	NAC Student Residence	OLD 1940's	Replace Single Student Residence
2	Rankin Inlet	Trades Complex – Phase 1	Nonexistent	Renovate Public Works Shop
3	Rankin Inlet	Family Accommodations	Nonexistent	Build Family Accommodations
4	Iqaluit	Student Residence	Lack of Facilities	Build Family Accommodations
5	Pond Inlet	NAC CLC Replacement	Very Poor (asbestos)	Build New Community Learning Centre
6	Cambridge Bay	Administration Building / Classrooms	Old 1960's	Build new facility with offices, classrooms and shop
7	Iqaluit	NRI Building	Old	New facility with offices, labs and library
8	Qikiqtarjuaq	NAC CLC (part of new school) 2 Port.	Poor & Good	Build new CLC (part of the new school)
9	Kugaaruk	NAC CLC Replacement	Poor 1970's	Replace the present Community Learning Centre
10	Whale Cove	NAC CLC	Nonexistent	Build new Community Learning Centre
11	Grise Fiord	NAC CLC	Nonexistent	Build a new CLC
12	Sanikiluaq	NAC CLC (Old Portable)	Poor	Replace the old Community Learning Centre
13	Iqaluit	Main Building Addition	Lack of Facilities	New classroom and offices
14	Rankin Inlet	NAC Building Addition – Phase 2	Lack of Space	Provide space for classroom and office space
15	Arviat	Headquarters Building	Lack of Room	Renovations to Access more Offices and Storage
	Igloodik	NAC CLC Demolition	CLC is Replaced	Tear down the old Community Learning Centre
	Kugluktuk	NAC CLC 2 Units	Poor & Excellent	Build new CLC as part of the new Library
	Coral Harbour	NAC CLC	Very Poor	Build new CLC Part of budget for new school
	Chesterfield Inlet	NAC CLC	Poor	Build a new Community Learning Centre
	Repulse Bay	NAC CLC Replacement 2 portables	Poor & Good	Replace the old Community Learning Centre
	Hall Beach	NAC CLC (2 Portables)	Poor & Good	Replace the old Community Learning Centre
	Cambridge Bay	Residence	Lack of Facilities	Build new Units
	Gjoa Haven	NAC CLC Replacement	Replace the CLC	Replace the present Community Learning Centre
	Arviat	NAC CLC	Good	
	Resolute Bay	NAC CLC	Good	

Note:

1. Priorities 1 to 4 have been completed in fiscal year 2006/2007, in 2007/2008 includes minor finishing touches to the projects.
2. Priority 5 an Administration building for Cambridge Bay will become a number 1 priority in 2008/2009.
3. Priority 6 includes a new building for the Nunavut Research Institute will become a number 2 priority in 2008/2009.

4. Facility Capital Plan

		Dollars in 000's							
Priority	Community	Facility	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012		
1	Iqaluit	NAC Student Residence	\$ 50						
2	Rankin Inlet	Trades Complex – Phase 1	\$ 700	\$ 3,000	\$ 2,500				
3	Rankin Inlet	Family Accommodations	\$ 100	\$ 3,000	\$ 2,000				
4	Iqaluit	Student Residence	\$ 4,000	\$ 5,000	\$ 3,000				
5	Pond Inlet	NAC CLC Replacement		\$ 2,150	\$ 40				
6	Cambridge Bay	Administration Building / Classrooms	\$ 50	\$ 750	\$ 4,500	\$ 5,550	\$ 3,500		
7	Iqaluit	NRI Building		\$ 190	\$ 3,220	\$ 50			
8	Qikiqtarjuaq	NAC CLC (part of new school) 2 Port.				\$ 8,700*	See Note		
9	Kugaaruk	NAC CLC Replacement		\$ 75	\$ 1,975	\$ 150			
10	Whale Cove	NAC CLC		\$ 75	\$ 1,975	\$ 150			
11	Grise Fiord	NAC CLC		\$ 75	\$ 1,975	\$ 150			
12	Sanikiluaq	NAC CLC (Old Portable)		\$ 75	\$ 1,975	\$ 150			
13	Iqaluit	Main Building Addition					** See Note		
14	Rankin Inlet	Trades Complex – Phase 2			\$ 500	\$ 3,000	\$ 5,500		
15	Arviat	Headquarters Building					\$ 750		
	Igloodik	NAC CLC Demolition					\$ 125		
	Kugluktuk	NAC CLC 2 Units				\$ 75	\$ 2,000		
	Coral Harbour	NAC CLC				\$ 2,165	\$ 9,500		
	Chesterfield Inlet	NAC CLC			\$ 75	\$ 1,975	\$ 150		
	Hall Beach	NAC CLC (2 Portables)							
	Cambridge Bay	Residence							
	Gjoa Haven	NAC CLC Replacement							
		Total Per Year	\$ 4,900	\$ 14,390	\$ 23,735	\$ 22,115	\$ 21,525		

Note:
 * Facility is part of new school – Costs are for entire project
 * Estimated cost for Campus addition is \$12 Million beyond 2012

5. College Programs

Stream	Continuing Education	Record of Achievement	Certificates and Diplomas	Degree Transfer
Academic	Life skills Literacy Programs	Adult Basic Education GED Pre-Employment Program	College Foundation Program	General BA--partial
Journeyman Trades	Heavy Equipment Training Small Engine Repair Prospecting Security Check	Introduction to Trades Introduction To Carpentry Class 3 w Airbrakes Pre Trades Preparation Welding / Millwright Introduction to Mine Worker	Pre-Employment Carpentry Apprenticeship Housing Maintainer Apprenticeship Carpentry Certificate in Hairdressing	Journeyman Trades
			Introductory Jewelry and Metal Work Art Institute Diploma in Jewelry Making	Foundation Course Applied Arts Degree
			Human Services Certificate/Diploma Diploma in Mental Health	Bachelor of Social Work
Human Services	Inuktitut Counseling			
	Computer Training Office Training Supervisory Skills GN Financial Modules Policy Development Project Management Community Development Community Eco Development	Office Administration ROA	Certificate in Management Studies Diploma in Management Studies Certificate/Diploma Office Admin IT Diploma Program Municipal Government Program	Bachelor of Business Admin
Administration/Business/Finance				
Science and Technology	Prospecting WHIMIS Medical Interpreter		Environmental Technology Diploma NTEP Nunavut Teacher Education Interpreter Translator Inuit Studies Certificate/Diploma Early Childhood Education Certificate	Bachelor of Science Bachelor of Education Bachelor of Arts
Inuit Qaujijatoqangit				
Health Care	CPR First Aid	Community Home Care Worker Community Support Worker Program	Nursing Diploma Community Health Rep Maternity Care Certificate Inuit Midwifery Diploma	Bachelor of Nursing
Program Delivery Funding:		Yellow - 3rd Party Funding	Blue - Base Funding	



6. Trades Program Development

Community	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Rankin Inlet Kivalliq Campus		Trades Access 100 day ROA	Trades Access 100 day ROA	Trades Access 100 day ROA	Trades Access 100 day ROA
			Plumbing – 18 weeks Pre Employment	Plumbing – 18 weeks Pre Employment	Plumbing – 18 weeks Pre Employment
				Plumbing 8 weeks - Level 1 & 2	Plumbing 8 weeks - Level 1 & 2
			Housing Maintainer Levels 1-3	Housing Maintainer Levels 1-3	Housing Maintainer Levels 1-3
			Oil Burner Mechanic - 18 weeks Pre Employment	Oil Burner Mechanic 6 weeks - Level 1	Oil Burner Mechanic 6 weeks - Level 1
			Electrical – 18 weeks Pre Employment	Electrical – 18 weeks Pre Employment	Electrical – 18 weeks Pre Employment
				Electrical - 8 weeks Level 1	Electrical - 8 weeks Level 1 & 2
			Heavy Equipment Operator 10 day - Theory	Heavy Equipment Operator Certificate - Simulator	Heavy Equipment Operator Class 3 - Airbrakes – 30 days
					Heavy Equipment Operator 2 pieces of Equipment
					Heavy Duty Technician Certificate – 18 weeks
Cambridge Bay Kitikmeot Campus		Trades Access 100 day ROA	Trades Access 100 day ROA	Trades Access 100 day ROA	Trades Access 100 day ROA
			Millwright – 18 weeks Pre Employment	Millwright – 18 weeks Pre Employment	Millwright – 18 weeks Pre Employment
					Millwright – 8 weeks Level 1
				Welding – 18 weeks Pre Employment	Welding – 18 weeks Pre Employment
					Welding – 8 weeks Level 1 and Level 2
			Mine Worker – 18 weeks Pre Employment	Mine Worker – 18 weeks Pre Employment	Mine Worker – 18 weeks Pre Employment
			Trades Access 100 day ROA	Trades Access 100 day ROA	Trades Access 100 day ROA
		Carpentry – 18 weeks Pre Employment	Carpentry – 18 weeks Pre Employment	Carpentry – 18 weeks Pre Employment	Carpentry – 18 weeks Pre Employment
		Carpentry Level 1-4	Carpentry Level 1-4	Carpentry Level 1-4	Carpentry Level 1-4
Iqaluit Nunatta Campus		Housing Maintainer 8 weeks	Housing Maintainer 8 weeks	Housing Maintainer 8 weeks	Housing Maintainer 8 weeks
		Carpentry Theory 3	Carpentry Theory 3	Carpentry Theory 3	Carpentry Theory 3
		Trades Access 100 day ROA	Trades Access 100 day ROA	Trades Access 100 day ROA	Trades Access 100 day ROA
		Carpentry – 18 weeks Pre Employment	Carpentry – 18 weeks Pre Employment	Carpentry – 18 weeks Pre Employment	Carpentry – 18 weeks Pre Employment
		Carpentry Level 1-4	Carpentry Level 1-4	Carpentry Level 1-4	Carpentry Level 1-4
		Housing Maintainer 8 weeks	Housing Maintainer 8 weeks	Housing Maintainer 8 weeks	Housing Maintainer 8 weeks
		Carpentry Theory 3	Carpentry Theory 3	Carpentry Theory 3	Carpentry Theory 3

Note: Proposed Course Development may delay the offering of courses in future years.

7. Expansion of NTEP

Support Graduates and Experienced Teachers

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Deliver Inuit L&C Certificate Program 2/region/\$250,000 as of 07/08	1/region (3) \$300,000 = \$900,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000
Sub-Total	\$900,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000
Develop Practical Program Certificate	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000
Deliver Practical Program Certificate 2/region/\$300,000 as of 08/09	Pilot (2) \$300,000 = \$600,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000
Sub-Total	\$815,000	\$2,015,000	\$2,015,000	\$2,015,000	\$2,015,000
Review/revise School Community Counselor Program	\$140,000				
Deliver SCC Program 3 courses/region		\$500,000	\$500,000	\$500,000	\$500,000
Sub-Total	\$140,000	\$500,000	\$500,000	\$500,000	\$500,000
Review/revise Student Support Assistant Program	\$70,000				
Deliver SSA Certificate 5 courses/region	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
Review/revise ECE Cert. Program	\$140,000				
Deliver ECE Prim. Year One \$150,000/program Year Two 3 courses/region	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000
Deliver NAC Instructor Certificate 3 courses/region	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000
Sub-Total	\$1,340,000	\$2,130,000	\$2,130,000	\$2,130,000	\$2,130,000
Total	\$3,195,000	\$6,445,000	\$6,445,000	\$6,445,000	\$6,445,000

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- 3) 2005 Nunavut Economic Outlook, Update on Five years of Progress, Prepared by Impact Economics, July 2005
- 4) Nunavut Mine Training Partnership, Application to the Aboriginal Skills and Employment Program, July 2004.
- 5) Nunavut Housing Trust Delivery Strategy, Prepared by Nunavut Housing Corporation, October 2006
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- 7) Pinasuaqtavut: 2004-2009, Our Commitment to building Nunavut's Future, Government of Nunavut.
- 8) Qalattug 10 year Education Strategy 2006-2016, Department of Education and Nunavut Arctic College, 2006.

Abbreviation Glossary

CSL	Current Service Level
ESL	Expanded Service Level
CLC	Community Learning Centre
KPI	Key Performance Indicators
NI	New Initiatives
NPS	Non – Essential Programs and Services
PSP	Programs and Services Plan
RSL	Revised Service Levels
ABE	Adult Basic Education
FANS	Financial Assistance for Nunavut Students
ALS	Adult Learning Strategy
C-CIARN	Climate Change Impact and Adaptation Research Network
IQ	Inuit Qaujimajatuqangit (traditional knowledge)
ANCAP	Aboriginal and Northern Community Action Plan
NTEP	Northern Teacher Education Program
CTEP	Community Teacher Education Program
MTO	Municipal Training Organization
NALS	Nunavut Adult Learning Strategy
CARS	Community Aerodrome Radio Assistants
CEDO	Community Economic Development Organization
ECE	Early Childhood Education



Board of Governors

Jose Kusugak
Elisiusi Alakanuark
Zilliah Piialaq
Grant Newman(absent)

Uriash Puqiqnak
Frank Pearce
Reanna Sateana
Lallie Idlout(absent)

MOTION # BG 242 - 2007

The Board of Governors approves the Corporate Plan for 2007 to 2012 as presented.

Carried

Chairperson
NAC Board of Governors

Minister, Responsible for Nunavut
Arctic College

Date

Date

President
Nunavut Arctic College

Date

Nunavut Business
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Credit Corporation
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Corporate Plan 2008 - 2011

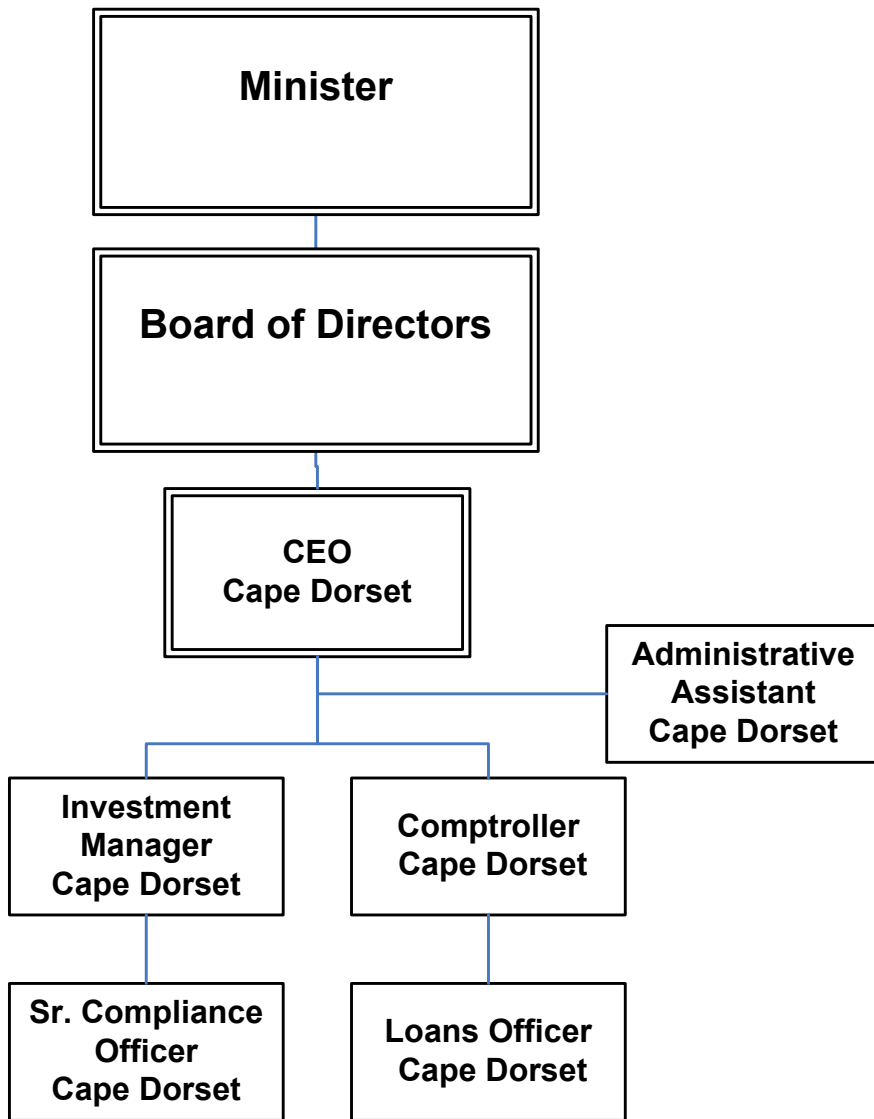
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ACCOUNTABILITY CHART





INTRODUCTION

The Nunavut Business Credit Corporation (NBCC) is a Crown corporation of the Government of Nunavut. NBCC came into existence on April 1, 1999 by virtue of section 29 of the *Nunavut Act* (Canada). The *Nunavut Business Credit Corporation Act* defines its legal and operational structure. NBCC operates under the auspices of the Government of Nunavut's Department of Economic Development and Transportation (EDT) and is subject to Part IX of the *Financial Administration Act*.

Organizational Structure

Corporate policy and direction is set by NBCC's Board of Directors (the Board). The Commissioner in Executive Council appoints the members of the Board on the recommendation of the Minister of Economic Development and Transportation. The Minister makes his recommendations with the guidance of his cabinet colleagues, other MLAs and the general public. Historically, members of the Board have been chosen to reflect a cross-section of backgrounds and the three regions of Nunavut with two members each from the Kitikmeot, Kivalliq and Qikiqtaaluk. Board members may not hold an NBCC loan and no member may work for the Department of Economic Development and Transportation.

Mission

The Nunavut Business Credit Corporation will be a well-known credible business development agency committed to delivering effective financial services that contribute to Nunavut's employment & economic growth.

Mandate

The mandate of NBCC is to function as an agent of the Government of Nunavut to stimulate economic development and employment in Nunavut by supporting, financing, and investing in resident business enterprises. As a lender of last resort, it is NBCC's general role to fill the financing void left by the chartered banks. NBCC does not offer grants or forgivable loans and cannot make equity investments.

The key feature of NBCC's financial products is flexibility. NBCC loans are structured to allow for a comfortable cash flow through such strategies as:

- Interest only payments for up to three years;
- Payments only during cash rich periods of the business cycle;
- Graduated payments;
- Balloon payments; and
- A line of credit.

The types of projects that NBCC considers from small and medium sized businesses include:

- The purchase of fixed assets;
- Leasehold improvements;
- Consolidation of debt;
- Bid bond security for contractors;
- Refurbishing working capital; and
- Interim or bridge financing.

STRATEGIC LINK TO PINASUAQTAVUT

In *Pinasuaqtavut: 2004-2009*, the Government of Nunavut is committed to two overriding priorities – building a stronger cultural foundation based on Inuit societal values and developing and expanding Nunavut's economy. It is particularly under this latter priority that the Nunavut Business Credit Corporation continues to play a vital role.

The scale of Nunavut's geographic and demographic challenges requires that NBCC play an important role in providing access to equity for companies that would otherwise have difficulty in securing such support. The objectives of these investments are clear: to create employment and income for Nunavummiut, and to promote economic diversification and stability. NBCC takes as its guiding principles the following *Pinasuaqtavut* goals:

Namminiq Makitajunnarniq: Self Reliance

The NBCC, in harmony with other funding and development partners, helps develop Nunavut's economy, private sector and job market by aggressively implementing the Nunavut Economic Development Strategy by focusing on mining and other key sectorial areas, including fisheries, tourism and arts and crafts.

Inuuqatigiitsiarniq: Healthy Communities

Pinasuaqtavut places emphasis on enhancing economic opportunities in smaller communities and in response, NBCC puts special effort into assisting applicants from non-decentralized Nunavut communities. NBCC provides loans which permit individuals, families and communities the ability to develop their economic options and opportunities.

Pijarnirniqsat Katujjiqatigiittiarnirlu: Simplicity & Unity

NBCC continually strives to improve its services for small and medium size businesses by exploring ways to simplify the process for accessing the financing they need to grow.

Ilippallianguinnarniq: Continuing Learning

To be strategically effective in the development of Nunavut's target industries, NBCC must persistently learn as much as it can about the Territory's business climate and socio-economic conditions.

Inuit Employment Objectives

NBCC is committed to increasing its Inuit employment levels to meet the Government of Nunavut objective of 85% by 2020. To this end several training initiatives have been undertaken in an effort to integrate NBCC within its home community of Cape Dorset.

The challenge for NBCC, as emphasized in the *Report of the Auditor General*, continues to be overcoming the lack of candidates with suitable skill sets and the high level of education required by the nature of the jobs available with the Corporation.

The skill set needed for professional positions within NBCC are the same as those needed for senior management in any business or government. There are few beneficiaries with these qualifications and those who have earned degrees and have experience in business have many employment opportunities. NBCC is open to long-term mentorship initiatives, with the understanding that any suitable training program will necessarily have to be tailor-made.

ENVIRONMENTAL SCAN

As a stakeholder in the Government of Nunavut's Economic Development Strategy, NBCC is an active partner in the stimulation of the Territory's economy. Whether focusing on mining, fisheries, tourism, arts or crafts, there is an enormous opportunity for growth, expansion and new investment in business enterprises in Nunavut. This opportunity, if adequately realized, will translate into greater employment opportunities for Nunavut's expanding population.

However, in order to ensure the Corporation's readiness to support businesses in tapping into the Territory's tremendous potential for growth, a number of identified risks and issues affecting NBCC need to be addressed. They are broken down here as Market and Credit Risks, Operational Funding, Board Governance, Staffing Capacity, and Promotional Exposure.

Market Risks

Nunavut's economy in the future will be closely tied to the development of mines throughout the Territory. The current forecast is optimistic, with more opportunities for growth. In order to meet increased demand, NBCC will need to have available working capital and the necessary staff.

However, should the economy flatten out, NBCC needs to be in a position to ensure its best interests and those of its clients. This will mean closer attention to existing clientele to ensure that their enterprises are positioned to guard against the impact of a more modest economy.

With all of its investments in Nunavut, NBCC is exposed to a significant market risk. Should Nunavut's economy go through a major economic downturn, the majority of NBCC's clients will be impacted, causing an anticipated dramatic increase in the number of loan defaults. There is no way to prevent or hedge against this threat without NBCC becoming more risk averse and having a more bank-like loan policy.

Credit Risk

Another risk exposure facing NBCC arises from the credit quality of the businesses and organizations to which it provides loans. Credit risk arises from the possibility that these businesses and organizations may be unable to fulfill their obligations to various stakeholders due to internal or external factors.

NBCC mitigates credit risk by diversifying its portfolio among many enterprises across a broad range of businesses, industries and geographic regions. The Corporation is prevented by the *NBCC Act* from investing in and lending to any one business enterprise or a group of related business enterprises an amount exceeding \$1 million. The Corporation does obtain adequate securities from every borrower in the form of a General Security Agreement (GSA), charging and registering all the present and after-acquired personal property of the borrower with a financing statement pursuant to the *Personal Property Security Act*.

Operational Funding

NBCC receives its operations and maintenance funding through a contribution agreement with the Government of Nunavut's Department of Economic Development and Transportation. While the risk is low, there always remains the possibility that the government may choose not to fund this Corporation should their priorities change.

In Fiscal Year 2002-2003 and 2003-2004, the contribution from the GN was \$600,000. In Fiscal Year 2004-2005, this fell to \$450,000. The contribution for Fiscal Year 2005 - 2006 remained at \$450,000 but there may be a reduction in NBCC's contribution in future years, as the loan portfolio grows.

Adequate Corporate Governance and Accountability

The early history of the Corporation has clearly demonstrated the need for continuous and enhanced Board training to increase the depth of the NBCC Board of Directors' governance capacity. To ensure greater accountability to Nunavummiut, the governance capacity of the Board must be increased through development workshops and with the aid of consultants experienced in practiced governance such as for example, the Canadian Executive Service Organization (CESO).

To ensure Board members are well grounded in NBCC's mandate, training should also cover the fundamental elements of economic development, as well as address NBCC specific topics, like debtor/creditor issues.

Without adequate and ongoing Board training in governance, NBCC will not be able to meet its responsibilities in a manner or timeline satisfactorily to Nunavummiut. The Corporation will need to seek support from the GN's Crown Agency Council to address this issue.

Staffing Capacity

A major setback for NBCC throughout its history has been a persistent difficulty in recruiting and retaining a critical mass of employees necessary in order to be able to go beyond the minimum requirements of operational functionality. The professional positions in NBCC require advanced training at the undergraduate or graduate university level with an accounting designation, either necessary or desirable. In particular, the Investment Manager must have extensive practical business experience.

This problem has led to long periods with less than a complete complement of staff. This makes it difficult for the Corporation to carry out its mandate and is demanding on remaining staff that must carry a larger load. With such a small number of positions, the loss of just one individual represents a 20% reduction in personnel.

Promotional Exposure

Due in large part to the issues stated above, NBCC has not been in a position to aggressively promote its services in a concerted manner towards targeted industries. While there has been a consistent effort on NBCC's part to make the most of community visits, this has not translated into increased support in the industries the Corporation has been directed to promote in its 2007-2008 Letter of Expectation from the Minister of Economic Development and Transportation, namely mining, fisheries, tourism, arts and crafts. A formal promotional strategy, complete with a campaign targeted to the desired industries and new programming is required to affect any change in this area.

CORE BUSINESS

The most identifiable indicator of a successful Nunavut business is one that has migrated from NBCC to a commercial bank. This is because Nunavut's investment context, dominated as it is by tremendous potential, is hindered by a general lack of secured capital and seasoned business acumen, which translates into a higher than acceptable risk threshold for commercial lending institutions.

The two commercial banks with branches in the Territory, the Royal Bank of Canada (RBC) and the Canadian Imperial Bank of Commerce (CIBC), have given no indication that a change in their tolerance for risk on commercial loans in Nunavut is likely in the foreseeable future. For small and medium size businesses in Nunavut to reach a level of risk suitable for commercial banks is therefore a major achievement, contributing to the stability of Nunavut's economy.

The core business of NBCC is to provide financing alternatives to small and medium resident business enterprises (SMEs) in Nunavut who require between \$125,000 and \$1 million in loans or guarantees. The *Nunavut Business Credit Corporation Act* defines a "resident business enterprise" as:

- An enterprise carrying on business in the Territory that is a company or corporation registered or incorporated under the Business Corporations Act, the majority of the shares of which are owned by a resident or another resident business enterprise or both;
- A co-operative association registered or incorporated under the Co-operative Associations Act, the majority of the shares of which are owned by a resident or, where the co-operative was incorporated without share capital, the majority of whose members are residents;
- A partnership for which a declaration is registered under the Partnership Act, the majority of whose partners are residents or other resident business enterprises or both; or
- A resident; according to the *Nunavut Business Credit Corporation Act* "resident" means a person who has ordinarily resided in the Territory for at least three years including any temporary absence from the Territory which, in the opinion of the Board, Minister, manager or lending officer, should not deprive the person of his or her status as a resident.

Loans are authorized as they arrive with no prioritization. Once the loans have been approved by the Board, and all legal requirements have been fulfilled, money is disbursed as per the conditions and terms of the individual loan agreement.

To meet its mandate of stimulating economic development and employment in Nunavut, NBCC works in partnership with the majority of other financing organizations in the Territory to support and invest in resident business enterprises. The major partners of NBCC are the Community Futures organizations in each region and Atuqtuarvik Corporation in Rankin Inlet.

Community Futures (CF) organizations provide financing to businesses whose financing requirements are below NBCC's \$125,000 threshold. Working in tandem with NBCC, CF organizations often refer their larger clients to NBCC, while some NBCC clients have returned to their regional CF to finance their cash flow. Community Futures organizations have a shorter approval period than a Crown Corporation and can be more responsive to small business needs.

Atuqtuarvik Corporation, a subsidiary of Nunavut Tunngavik Incorporated, focuses on supporting Inuit-only firms, while NBCC is accessible by all Nunavut resident businesses. NBCC and

Atuqtuarvik communicate regularly and it is common for the two organizations to provide loans to the same project.

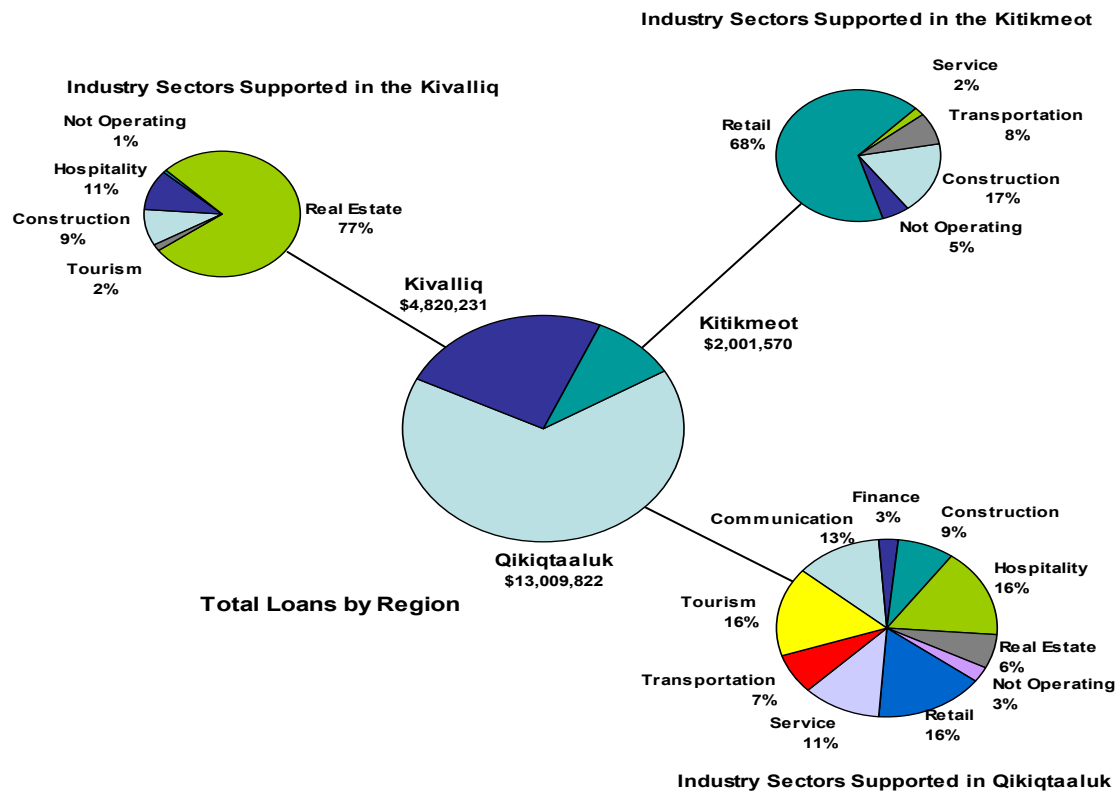
For loans above \$1 million, Nunavut businesses can approach the Business Development Bank of Canada (BDC). At this time however there is no BDC office in Nunavut and the Territory is served from Yellowknife. One of NBCC’s goals for the coming years is to work more closely with BDC with the potential of sharing loans on a pari-passu basis. Pari-passu means the security is shared equally in the same ratio as the investment.

The total portfolio was \$17,481,000 on October 31, 2007 a small decrease from March 31, 2007 and an increase of 137% since March 31, 1999. Forty seven Nunavut companies hold loans from NBCC of which eight are classified as impaired. As of October 31, 2007, there were 53 loans with an average principal outstanding of \$330,000.

When NBCC took control of its operation on March 31, 2000, the deficit was almost \$1 million. The Corporation now has an accumulated surplus of \$512,000. It is NBCC’s intention to steadily increase its portfolio and its presence throughout Nunavut, and thereby act as a substantial catalyst within the territorial economy.

Figure 1 below, demonstrates that the main sectors supported by NBCC are real estate, retail and construction. While these are important sectors in Nunavut’s economy, it is clear that NBCC needs to explore ways to bolster the Territory’s tourism, hospitality and arts and crafts industries. The value of the loan portfolio as of March 31, 2008 should be \$23 million.

Figure 1: Breakdown of NBCC Loan Portfolio by Region and Supported Industry Sector



Three Year Budget for Fiscal Years 2008-09 through 2010-11

Income Statement (000's)

	2007-08 Forecast	2008-09 Budget	2009-10 Budget	2010-11 Budget	Assumptions
Lending Activities					
Interest Income on Loans Receivable	1,445	1,584	1,720	2,185	Interest Income on Loans Receivable
Less: Interest Expense on Advance from GN	(723)	(792)	(860)	(1,093)	Less: Interest Expense on Advance from GN
Gross Income from Lending	723	792	860	1,093	Gross Income from Lending
Less: Provision for Losses on Impaired Loans	(29)	(32)	(72)	(69)	Less: Provision for Losses on Impaired Loans
Net Income from Lending	694	760	788	1,024	Net Income from Lending
Miscellaneous Income	33	69	48		Miscellaneous Income
Total Income	727	829	836	1,024	Total Income
Administrative Expenses					
Loan Administration Costs	11	12	12	14	Increase by \$1K per year
Salary & Benefits	505	727	750	788	Increase for Compliance Officer
Marketing	53	42	50	51	Level
Training & Development	114	117	111	106	Level
Professional Fees & Expenses	164	52	64	64	Level
Travel	73	93	73	75	Decrease should HQ move
General & Administrative	54	53	62	62	Level
Board Meetings	123	156	123	139	Decrease should HQ move
Board Honorarium	92	84	92	95	Level
Facilities	140	140	140	140	Level
Total Expenses	1,330	1,477	1,477	1,535	
Net Loss Before GN Contribution	(603)	(648)	(641)	(511)	
GN Contribution from GN	405	450	450	320	Decrease in Support FY10/11
In-kind from GN	198	198	191	191	Nets Out
	603	648	641	511	
NET RESULTS FOR THE YEAR	-	-	-	-	No Loss or Profit

PRIORITIES FOR 2008-2009

To ensure the high level of transparency and accountability Nunavummiut expect of the NBCC, the major priorities for NBCC in 2008-2009 focus on strengthening internal capacity and improving Board governance. These objectives will be achieved by ensuring all of the provisions of the Action Plan in Response to the Auditor General's 2007 Report are implemented by adhering to a strict schedule of milestones covering the three years of this corporate plan.

In particular, the creation of a customized Operation and Procedures Manual to prepare NBCC staff and guide them in their daily tasks, along with a Board Orientation Manual, including a standard governance training curriculum, will be foremost on the NBCC's agenda for 2008-2009.

The creation of these documents will entail a significant review of NBCC's business processes and policies. Beyond satisfying the Auditor General's concerns, the work involved in these projects will do much to restore to NBCC a healthy and productive working environment.

Once it accomplishes these goals, NBCC will continue to actively seek ways to support and contribute to Nunavut's economy by diversifying its portfolio and reaching out to targeted industries involved in the mining sector, arts and crafts, and hospitality. A major aspect of this effort lays in the pursuit of potential clients in the Territory's business community for NBCC, through a targeted promotional strategy.

Strengthening Accountability

To ensure NBCC is being as accountable as possible to Nunavummiut, and in response to the 2007 Report of the Auditor General, a number of measures focusing on improving the Corporation's management reporting activities, and strengthening the bond between senior management and the Board of Directors, have been identified as necessary for a diligent administration of the Corporation. These measures include:

- Participating in the development of an accountability framework for all parties involved in the governance of the Corporation, including the Board, CEO, Executive Council, the Minister, the Department of Economic Development and Transportation and the Crown Agency Council, as per the Action Plan in Response to the Auditor General.
- Improving corporate management by providing detailed monthly financial management reports, including the operational budget status report and statement of cash flows to the Board for their approval.
- Participating in the Government of Nunavut's Strengthening Financial Management initiative by submitting the Board approved monthly management reports to the Department of Finance to keep them informed of developments within the Corporation.

- Creating a monitoring program for periodic checks of loan files and including the Office of the Chief Internal Auditor for the Government of Nunavut in this process, as per the Action Plan in Response to the Auditor General.
- Clarifying the protocol for communications during financial audits of the Corporation: between the Office of the Auditor General and affected Government of Nunavut Departments, as per the Action Plan in Response to the Auditor General.
- Formally integrating board expectations of the CEO into the Corporation's strategic planning process.
- Strengthening the accountability link between Board and CEO through an annual performance review of the CEO.

Improve Board Governance

To ensure that NBCC's Board has both the resources and the knowledge to effectively govern the corporation, a range of actions are planned for 2008-2009 and beyond, focusing specifically on increasing the capacity of the board through development workshops, governance training as well as the development of a new Board Orientation Manual to clearly establish the terms of reference for members, as well as the Acts, Regulations and By-laws in place within the Corporation. Further, a number of other measures aimed at increasing Board performance are planned, including:

- The improvement of Board governance through greater member attendance at meetings by fixing the dates for Board meetings one year in advance and distributing meeting binders one week in advance of meetings.
- The improvement of Board communication; by ensuring all Board members are accessible via email to provide them information of developments within the Corporation.
- Enhancing member understanding of board governance through adequate Board of Director training, including facilitated training with at least one in-person Board meeting with a facilitator.
- Re-enforcement of the facilitated training by providing the opportunity for each Board member to attend at least one appropriate training conference.
- Improvement of the EDT – NBCC working relationship at the senior level through the participation of the Deputy Minister for EDT at quarterly Board meetings.

Strengthening Internal Capacity

To overcome the inherent difficulties of staffing NBCC, the Corporation with its partners in the Department of Economic Development and Transportation, will approach the Government of Nunavut's Department of Human Resources to establish a full fledged Recruitment, Training and Retention Plan. The initial part of this plan must focus on the immediate stabilization of the Corporation's staffing situation by shifting the current

dependence on consultancies to casual staffing actions, as a cost saving measure. Other elements of the plan will focus, among other things, on:

- The re-evaluation of all job descriptions with the aim of finding potential areas for structured training plans to accompany the positions.
- Establishing long term training plans with an aim towards training suitable NLCA Beneficiaries for the positions within the Corporation requiring professional designations.
- The creation of a targeted recruitment strategy for the recruitment, in the short term, of those positions that require professional designations requiring formal post-secondary education.

Promotional Strategy

To increase NBCC's exposure to Nunavut's growing business community, and to target its financial support of the arts and crafts, mining, and fishing, industries in particular, the Corporation will need to develop a targeted promotional strategy. Such a strategy will go beyond the Corporation's current practice of focusing on in person visits, and include:

- An advertising campaign aimed at attracting businesses from desired industry sectors, including interviews for local radio and cable, and community consultations to meet with potential clients;
- Heightened presence and increased attendance at trade shows; and
- Membership on various Chambers of Commerce, territorially, nationally and internationally.

Because NBCC has found that face-to-face contact is the best form of promotion, staff will continue to travel throughout the Territory, with the aim of visiting every community in Nunavut by the end of summer 2008. As part of those visits, the limited time available in a community will be used visiting existing clients and economic development officers, and making presentations to hamlet councils to strengthen the Corporation's ties at the community level.

FUNDING SUMMARY

Branch	2007 – 2008 Main Estimates		2008 – 2009 Main Estimates		2009 – 2010 Main Estimates		2010 – 2011 Main Estimates	
	\$000	PYs	\$000	PYs	\$000	PYs	\$000	PYs
HEADQUARTERS								
REVENUES	1,445		1,584		1,720		2,185	
Contribution from GN	603		648		641		511	
Other Revenues	33		69		48		–	
Subtotal	2,081		2,301		2,409		2,696	
EXPENSES								
Salary	597	5.0	811	6.0	842	6.0	882	6.0
Other O&M	1,484		1,490		1,567		1,814	
Subtotal	2,081		2,301		2,409		2,696	
TOTAL	–		–		–		–	



Business Plan

2008-2009

Jessie Oonark Ltd.
Ivalu Ltd.
Kiluk Ltd.
Kivalliq Arctic Foods Ltd.
Kitikmeot Foods Ltd.

Pangnirtung Fish Ltd .
Taluq Designs Ltd.
Uqqurmiut Arts & Crafts Ltd.
Papiuruq Fisheries Ltd. (Whale Cove Fisheries)

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INTRODUCTION

The Nunavut Development Corporation (the “Corporation” or “NDC”) is a Crown corporation of the Government of Nunavut (the “Government”) named in Schedule B of the *Financial Administration Act* (Nunavut) (“FAA”) and, accordingly, operates in accordance with Part IX of the FAA, the *Nunavut Development Corporation Act* (the “Act”) and the *Business Corporations Act* (Nunavut). The Act lays out the parameters under which the Corporation may operate.

Section 25 of the Act pertains to the submission of an annual corporate plan, operating budget, and capital budget as described in sections 91 to 93 of the FAA. Section 25 of the Act also requires that the Corporation disclose projected investments, borrowings and the amount of subsidies to be paid to subsidiary companies and NDC projects.

Legislated Mandate

The legislated objective of the Corporation, as stipulated in section 3 of the Act, is as follows:

“The objects of the Corporation are

- (a) to incorporate, establish and carry on the business of companies and to develop, establish, operate, manage and carry on the business of projects, directly or indirectly, within the Corporation in order to
 - (i) create employment and income for residents of the Territories, primarily in small communities,
 - (ii) stimulate growth of businesses in the Territories; and
 - (iii) promote economic diversification and stability;
- (b) to invest in business enterprises in order to
 - (i) stimulate growth of businesses in the Territories;
 - (ii) promote economic diversification and stability; and
- (c) to promote the economic objectives of the Government of Nunavut”.

Mission

The Nunavut Development Corporation is committed to the creation of economic and income opportunities for Nunavummiut with a focus on developing the traditional economy and recognizing the importance of Inuit culture and values.

Vision

The goal of the Corporation is to be self-sustaining, evolving to the point whereby its economic programs allow the Corporation to achieve self-sufficiency.

The Corporation will work closely with individuals, businesses community groups and governments to stimulate the Nunavut economy.

The Corporation will use its resources and programs to develop positive economic initiatives.

The Corporation seeks to support self-sustaining, locally controlled enterprises, built upon the unique skills of our people and the abundant resources of our Territory.

Employment positively impacts quality of life and leads to healthier communities. Job creation and maintenance will be measured and will be a key indicator of our success.

Values

Flexible – We are open and welcome positive change.

Honest – We are honest and open in our interactions with each other and with the Nunavummiut.

Accountable – We are committed to providing financial reporting in accordance with Canadian generally accepted accounting principles for the public funds within our control.

Trust – We have a high degree of integrity; we strive to do what is right.

Fairness – We treat every individual or group in an impartial and equitable manner.

Respect – We value and welcome all people's opinions, particularly Inuit cultural values.

Openness – We conduct our affairs transparently.

Responsible – We demand high ethical standards from ourselves and our partners. We will work to conduct ourselves in a manner that preserves the environment, promotes sustainability and safeguards the interests of stakeholders.

Strategic Link to Pinasuaqtavut

Inuit Qaujimagatuqangit ("IQ") – The Corporation will place a high value on Inuit traditional knowledge particularly as it relates to our involvement in Nunavut's arts and crafts, and meat and fish sectors.

- *Healthy Communities* – the Corporation will create direct and indirect employment opportunities and build capacity within communities whenever possible to enhance the quality of life for Nunavummiut.
- *Simplicity and Unity* – the Corporation will work cooperatively with our partners and stakeholders using efficient and economic methods that produce positive results.
- *Self-Reliance* – the Corporation will continue to grow by using the unique strengths and abilities of Nunavummiut combined with the unique sustainable resources available to us.
- *Continuing Learning* – the Corporation will continue to develop the skill sets of all its employees using formal and informal methods and in doing so will ensure the advancement of a productive workforce.

Environmental Analysis

- *Social* – there is still a strong need for economic development across the territory. Currently the Corporation employs hundreds of people that would likely not be able to find work elsewhere should the Corporation cease to exist. Communities with existing subsidiaries take pride in what the people of their community produce.

- *Economic* – the Canadian economy is strong however there is the threat of decreasing tourism from the United States which may affect the sales of arts and crafts products. Also, as the Canadian dollar gains value, export of our products will be negatively impacted.
- *Political* – Public agencies are under increasing scrutiny for their effectiveness and there is always the concern the NDC's funds will be allocated elsewhere which would severely affect ongoing initiatives.
- *Environmental* – the meat and fish industry is subject to assessments of sustainability for harvests and quotas for fishing. In addition the processing facilities have to ensure they are compliant with a number of regulatory agencies that have responsibilities in areas of food safety and disposal of production by-products. Carvers are having increased difficulty in locating, safely quarrying and transporting soapstone to their communities.
- *Opportunities* – with the announcement of the Inukshuk as the official logo of the 2010 Olympics, there is an opportunity to increase awareness for Nunavut-made product. Also, increased mining in the territory could result in increased sales at our subsidiary companies.
- *Competition* – light manufacturing can generally be done cheaper in most other locations. With the costs of fuel and utilities increasing, it is costing more to manufacture and deliver product to the very price sensitive and competitive southern market.

Critical Issues

Nunavut's meat and fish industry is completely reliant on the allocation of quotas and the successful completion of annual harvests. The muskox harvest has been completed successfully in Cambridge Bay for two years in a row, however prior to that it had not been conducted for three years. The caribou harvest on Southampton Island has been taking place for numerous years but there is uncertainty each year as to whether or not it will happen due to herd conditions and capacity issues within the community. Char and turbot fisheries are prone to changes in quotas and quota allocations which generally are beyond the control or influence of the Corporation. If and when access to these natural resources is restricted or curtailed, the subsidiary companies that rely on these resources will be challenged to maintain existing levels of employment and economic activity.

Increased prices for petroleum products have a direct impact on the cost of operations across the organization. Utility and transportation costs are immediately effected which seriously reduces the financial performance of the subsidiary companies by making their products even less competitive in a very price conscious consumer marketplace. Every effort is made to control these costs by energy reduction and implementation of sound business strategies.

The corporation is also affected by an issue that plagues businesses throughout the territory – attracting and retaining qualified staff. Managers of subsidiaries are hired based on their skills and experience and with the understanding they will be provided ongoing training to develop their skill-set in areas required. However, some key competencies are necessary for certain positions and when a person leaves it can often take time to recruit a qualified replacement. This is an issue with positions across the Corporation from production employees to senior management.

OPERATING OBJECTIVES - CORPORATE

Headquarters

Funding Summary

HEADQUARTERS	2008-2009	2007-2008
Subsidy Program Fund- <i>continuing operations</i>	1,256,000	1,394,000
Capital Program Fund	5,000	5,000
Gov't of Nunavut Core Program Funding – Vote 1	1,261,000	1,399,000
Gov't of Nunavut Capital Program Funding – Vote 2	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	1,261,000	1,399,000
JOB FORECAST	5	5

NDC will continue to evaluate its key operational areas to determine which core activities bring the greatest overall economic benefit both in terms of assisting the Corporation in meeting its long-term operating objectives and its job creation and maintenance targets. In the 2007/2008, the Board of Directors approved a re-allocation of funds from subsidiaries to headquarters. The reduction in funding to the subsidiaries was a result of consecutive years of profits for two of the meat and fish companies. The extra funding for headquarters was predominantly for the purpose of recruiting a new President for the Corporation.

The headquarters senior management team will continue to be cost-effective in its operations and will continue to avoid unnecessary administrative overhead by operating with five key staff members. In the coming year, attention will be directed to board governance with the possibility of transforming one of the bi-annual board meetings into a formal strategic planning retreat. Attention will continue to be focused upon financial reporting to ensure the Corporation meets its legislated deadline for providing audited financial statements to the Legislative Assembly. There are also intentions to review enabling legislation to ensure it is in line with the goals of the Corporation and other stakeholders.

Ongoing corporate undertakings and services provided by the headquarters include:

- corporate business planning and budget development
- corporate accounting, internal and external audit and public reporting
- corporate policy development and compliance monitoring
- corporate governance development and implementation
- corporate management of legal registries and corporate minute books
- corporate advertising, strategy development and execution
- providing business planning and budget development support for subsidiaries and sales division
- providing comprehensive operational support for subsidiaries and sales division
- providing capital planning and administration services for subsidiaries and sales division
- providing capital project management for subsidiaries and sales division
- providing human resources support to subsidiaries and sales division
- providing IT support to subsidiaries and sales division

- ongoing monitoring of financial performance and key indicators at subsidiaries and sales division
- ongoing monitoring of all related regulatory environments of which subsidiaries and sales division are subject
- developing mechanisms for the purchase of Inuit arts and crafts from communities throughout Nunavut
- developing and implementing special Corporate projects such as involvement in Arctic Winter Games, Vancouver 2010 Winter Olympics, Iqaluit Tradeshow and Kitikmeot Tradeshow.

Headquarters Operating Budget 2007-2008

Line Item	Budgeted Amount
Interest Revenue	(48,000)
Advertising	100,800
Amortization	16,800
Bank Charges	3,000
Board – Honoraria	32,400
Board - Meeting Expenses	4,200
Board–Travel and Accommodation	80,400
Communications	15,600
CPP/EI Expenses	18,000
Employee Benefits- Pension	60,000
Equipment Leases	1,200
Freight and Postage	16,800
Legal Fees	12,600
Maintenance and Repair	15,800
Office Supplies	15,000
Payroll Service Fee	6,000
Professional Fees	66,000
Salaries and Allowances	590,400
Sales Support – Subsidiaries	25,200
Staff Travel	120,000
Trade Mission and Trade Fairs	42,000
Translating	9,600
Travel Subsidiary Companies	30,000
Utilities and Snow Removal	19,800
WCB	2,400
Total Budget	1,256,000

Some of the above costs include subsidiary expenses absorbed by headquarters. The bulk of advertising initiatives undertaken by HQ are specifically designed to promote subsidiary product. This is also true for tradeshow, with the registration fees being covered by headquarters. Often legal and professional fees include expenses for the subsidiaries, as well as the entire categories of sales support and subsidiary travel.

Headquarters personnel endeavour to visit each and every subsidiary company twice a year to physically monitor operations, provide hands-on operational support, meet with the local community board members and provide any other related support services as may be deemed necessary.

Headquarters staff also visits the sales division annually to monitor year-end procedures and attend the inventory count.

The Corporation is also represented on numerous economic boards and agencies throughout Nunavut, some of these include:

- Nunavut Economic Forum
- Baffin Fishing Coalition
- Nunavut Harvesters Association
- Kitikmeot Muskox Working Group
- Baffin Chamber of Commerce
- Kivalliq Chamber of Commerce
- Nunavut Arts and Crafts Task Force

The Board of Directors of the Nunavut Development Corporation consists of nine members appointed by Cabinet. The full board meets twice a year face-to-face, generally once in Iqaluit and once in Rankin Inlet but other locations are chosen as well as it gives Directors a chance to see first hand some of the operations. The Corporation also utilizes an Executive Committee to assume the legislated roles extended to it under the Act. The Executive Committee fulfills the roles of Investment Committee, Audit Committee and Personnel Committee. The Executive Committee meets quarterly and an ad hoc basis as the need arises usually by teleconference.

Headquarters	
Proposed 2008-2009 Capital Projects	
From Capital Fund (Core Funding) – Vote 1	
Project # 1 Upgrade computer systems	\$ 5,000
Total Capital	\$ 5,000

The Sales Division

NDC SOUTH	2008-2009	2007-2008
Subsidy Program Fund	280,000	300,000
Capital Program Fund	40,000	100,000
Gov't of Nunavut Core Program Funding	320,000	400,000
Gov't of Nunavut Capital Program Funding	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	320,000	400,000
SALES FORECAST	1,600,000	1,500,000
JOB FORECAST	4	4
NUNAVUT ARTISANS	23	20

The Wholesale Division

Independent Buying Agents

The Wholesale Division will continue to actively seek out independent community buying agents in all Nunavut communities who will procure local arts and crafts on behalf of the Corporation. It is the objective of the Wholesale Division to have buying contacts in place in every Nunavut community within three years. Such an approach will allow the Corporation to access a wider variety of

Nunavut arts and crafts in a more economical manner and reduce the overhead costs associated running a permanent facility in a remote community. The division will provide training and support to interested participants or organizations that want to act as a buying agent for the Wholesale Division. The agent will receive ongoing training and support along with a negotiated “agency fee” or commission for acting on behalf of the Corporation.

Currently the Wholesale Division maintains active buying contacts in the following communities:

- **Cape Dorset**
Working closely with both J&D Cape Dorset Sculptures Inc. and Polar Energy Conservation Systems, the Wholesale Division actively procures high volumes of stone carvings from new and up and coming Cape Dorset artisans.
- **Sanikiluaq**
The Wholesale Division has an established buying relationship with the Soapstone Artists of Sanikiluaq routinely purchasing quality carvings produced in the community.
- **Kimmirut**
The Wholesale Division has developed a buying relationship with the Quliruakut Arts & Craft Society of Kimmirut whereby the local company regularly supplies NDC with Kimmirut carvings.
- **Clyde River**
The Wholesale Division has developed a working relationship with the Aarruja Development Corporation with purchases of local arts and crafts increasing from this community.

Direct Buying Expeditions

The Wholesale Division, working closely with Headquarters personnel, also plan direct buying trips into communities where corporate buyers are not presently established. In the previous two fiscal years, NDC buyers visited many communities in the Baffin and Kitikmeot regions. For 2008-2009, buying trips are scheduled and budgeted for the following Kivalliq communities:

- Chesterfield Inlet One Trip with an estimated budget of \$ 5,000
- Coral Harbour One Trip with an estimated budget of \$ 5,000
- Repulse Bay One Trip with an estimated budget of \$ 5,000
- Whale Cove One Trip with an estimated budget of \$ 5,000

Improving Industry Cooperation

The Wholesale Division will attempt to take a lead role in building positive relationships with other Nunavut fine art retailers and wholesalers in an effort to elevate the awareness of the overall Nunavut arts and crafts industry in Canada’s southern markets. Initiatives such as the development of an industry association comprised of key southern retailers and wholesalers of Inuit art will be pursued in an effort to foster stronger front-end cooperation among industry participants. Joint commercial marketing and retailing initiatives will be explored with the intent of better taking advantage of potentially lucrative international events and expositions. Finally, efforts will continue to strengthen cooperative buying initiatives in Nunavut with such entities as the Northwest Company and Arctic Coops so as offer additional opportunities for artisans to sell their goods.

Advertising and Promotion

The Wholesale Division will continue to take the lead with its aggressive promotion of all things “Nunavut Made”. The Division will focus many of its efforts on professionally showcasing the talents and resourcefulness of our arts and crafts community at numerous national industry-trade events. Whether it is traditional stone carving or high-end jewellery, if it is made in Nunavut it will be

showcased. Along with promoting our arts and crafts community the Division also works diligently to promote the Territory's commercial and tourism opportunities as well. Participation is planned at the following major tradeshows in the coming fiscal year:

- Toronto Gift and Tableware Show – Spring and Fall
- Montreal Gift Show – Spring and Fall
- Vancouver Gift Show – Spring and Fall
- Ottawa Gift Show – Winter
- Iqaluit Tradeshow-Spring
- Kitikmeot Tradeshow-Winter

Website Development

The Corporation's current website allows for customers to view products and create a shopping list but does not allow for final processing and payment. In the coming years, the website will be further developed to allow for online ordering as a fully functional electronic store front.

Arctic Nunavut Retail

Two Arctic Nunavut retail stores are operated in the Greater Toronto Area and provide a front-line conduit for the flow of arts and crafts from Nunavut Development Corporation subsidiaries and agents. It has been decided by the Board of the Corporation that the Arctic Nunavut Retail Division should be reasonably self sustained and operate without financial assistance from the Corporation. Therefore, the retail division will be critically assessed over the coming years from both a job creation and operational cost perspective to ensure this expectation is attained.

The primary retail location is Queen's Quay Terminal located on Toronto's downtown waterfront. The term of this lease will be expiring in the spring of 2008. The Corporation will continue to investigate the possibility of renewal as well as other options which include searching for similar commercial leasing space as well as the possibility of purchasing an existing business.

The sales division is continually increasing cooperation between the wholesale location and retail stores. In the coming years, staff will be cross-trained for improved customer service. Retail staff will have a better understanding of what product is available for their clients, and wholesale staff will increase their understanding of what the end retail customer is looking for.

Sales Division	
Proposed 2008- 2009 Capital Projects	
From Capital Fund (Core Funding) – Vote 1	
Project #1POS upgrades	\$40,000
Total Capital	\$40,000

Other Corporate Priorities

Divestment of Majority Interest in Subsidiaries

Presently NDC maintains a majority equity position in all its subsidiaries. Where minority partners exist, the board structure of the subsidiary is proportionally representative of each shareholder's interest. The current equity structure prevents local minority owners from assuming a "true" controlling interest in the company as NDC holds in excess of 51% of the voting stock. Ultimately it is the objective of the Corporation to turn over as much control as is functionally practical to community based owners.

The current majority ownership structure acts as a barrier to subsidiary companies in accessing alternate funding sources. As the subsidiaries are frequently deemed to be "*government agencies*", given NDC's majority ownership position, the current ownership structure often runs contrary to other outside funding agency's qualifying the criteria (e.g. government's not funding other governments). However, it is anticipated that with the new equity structure both companies will be in a better position to seek alternative third-party funding sources primarily as it relates to additional outside sources of capital project funding.

As well under the current structure, NDC's subsidiaries are often not given preferential treatment under the Government of Nunavut's Nunavummi Nangminiqatunik Ikajuuti Policy. This reality has hindered the development of some subsidiary companies as they do not receive the bid preferences as stipulated in the policy when bidding on government contracts.

NDC will actively pursue any opportunity to divest a subsidiary company to local ownership when the situation arises. The process of divestment will follow the guidelines approved by the Board and be consistent with the spirit and intent of the Act.

Potential New Subsidiary

A non-decentralized community has indicated that they will be presenting a business plan to NDC in the coming months. Their proposal will be for NDC to invest in an arts and crafts business and provide on-going subsidy assistance. This potential new subsidiary has been added to the three-year budget numbers below.

Three Year Budget Estimates

The three-year is required for the Corporation to properly plan and meet its targeted economic development objectives within Nunavut. The following table shows projected improvements in subsidiary performance and therefore decreased reliance on subsidy.

	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total
Subsidiaries				
Ivalu	-	-	-	-
Jessie Oonark	150,000	140,000	140,000	430,000
Kiluk	130,000	120,000	120,000	370,000
Kitikmeot Foods	360,000	360,000	360,000	1,080,000
Kivalliq Arctic Foods	250,000	240,000	220,000	710,000
Pangnirtung Fisheries	170,000	170,000	170,000	510,000
Taluq	130,000	130,000	130,000	390,000
Uqqurmiut Arts & Crafts	170,000	170,000	170,000	510,000
Papirug Fisheries	32,000	32,000	32,000	96,000
Potential New Subsidiary	150,000	150,000	150,000	450,000
Operating Subsidies - Subsidiaries	1,542,000	1,512,000	1,492,000	4,546,000
Core Capital Contributions - Subsidiaries	260,000	260,000	260,000	780,000
Operating Subsidies –Sales Division	280,000	280,000	260,000	820,000
Operating Headquarters	1,256,000	1,286,000	1,326,000	3,868,000
Total Funding	<u>3,338,000</u>	<u>3,338,000</u>	<u>3,338,000</u>	<u>10,014,000</u>

THE MEAT AND FISH SUBSIDIARIES

The Corporation will continue in its efforts to fully rationalize its meat and fish operations through the development of value-added meat and fish products. Market development for new products utilizing production by-products not currently used will be explored either directly or in partnership with key industry partners such as HTO's, DIO's and other interested parties. Items of specific interest include making better utilization of animal hides by more aggressively seeking new skin and leather products. Other considerations include offering by-products such antler, horn and hides to Territorial artisans for use in development of new mediums of Inuit arts and crafts.

Additionally the Corporation will work to assist other stakeholders in the commercial harvesting sector by offering advice and support through the sharing of acquired knowledge in the key areas of harvesting, processing, licensing, marketing and exporting of Nunavut's wild game resources.

The Corporation will actively support the development of sustainable commercial harvests in Nunavut. Through our participation, directly or indirectly, we will advocate practices that have minimal effect on our environment. The Corporation will also research and seek energy reduction initiatives at our meat and fish processing facilities to reduce consumption and contribute to the Canadian commitment of green house gas reduction.

Individually the Nunavut Development Corporation's subsidiary companies plan the following for the coming year:

Kitikmeot Foods Ltd.

Cambridge Bay

KITIKMEOT FOODS LTD.	2008-2009	2007-2008
Subsidy Program Fund	360,000	300,000
Capital Program Fund	75,000	86,000
Gov't of Nunavut Core Program Funding	435,000	386,000
Gov't of Nunavut Capital Program Funding	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	435,000	386,000
SALES FORECAST	650,000	700,000
JOB FORECAST	15	15

The Nunavut Development Corporation holds 98% of the voting stock at Kitikmeot Foods Ltd., the remaining 2% of voting stock is held by the Ikaluktutiak Co-op.

The Muskox Harvest

In 2008-2009 the company intends to build upon the success of past muskox harvests undertaken in the previous three years. The harvest model being utilized has proved cost effective and operationally efficient. The company is targeting a harvest threshold of 300 animals as this is what can be reasonably expected to sell to markets in Nunavut and the NWT. However, with ongoing product development and marketing efforts, we expect the harvest levels to increase to 400 in subsequent years.

The Char Fishery

Kitikmeot Foods will also remain actively involved and committed to the region's commercial char fishery. Char, harvested using the weir method results in a premium product which is in demand throughout northern and southern market places. Efforts will continue to maximize the weir fishing method exclusively at two river systems and if river conditions are conducive, then at the third river. An estimated 80,000 lbs. of char will be harvested from key fishing rivers in the Cambridge Bay area creating seasonal employment for up to fifteen local fishermen.

Kitikmeot Foods Ltd.	
Proposed 2008-2009 Capital Projects	
From Capital Fund (Core Funding) – Vote 1	
Project # 1 Refrigeration	\$ 45,000
Project # 2 Office renovations	20,000
Project # 3 New flooring	10,000
Total Capital	\$ 75,000

Kivalliq Arctic Food Ltd.

Rankin Inlet

KIVALLIQ ARCTIC FOODS LTD.	2008-2009	2007-2008
Subsidy Program Fund	250,000	150,000
Capital Program Fund	58,000	-
Gov't of Nunavut Core Program Funding	308,000	150,000
Gov't of Nunavut Capital Program Funding	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	308,000	150,000
SALES FORECAST	1,700,000	1,500,000
JOB FORECAST	25	25

The Nunavut Development Corporation holds 100% of the voting stock at Kivalliq Arctic Foods Ltd.

The Coral Harbour Caribou Harvest

Kivalliq Arctic Foods will continue to work closely with the community of Coral Harbour in the mutually beneficial effort to develop environmentally and financially sustainable caribou harvests. The company will continue to provide operational and financial support to the harvest initiative.

NDC's subsidy assistance will be increased to historic levels for 2008/2009 due to the likelihood that the number of animals harvested in February and March 2008 will be reduced. A reduced harvest will negatively impact production for Kivalliq Arctic Foods however; the company is committed to the long-term viability of this important Territorial undertaking and will seek alternatives to maintain current employment levels.

Provided that the Southampton Island herd is stable and the hunt associated costs do not exceed what can reasonably be recovered, the company looks forward to an ongoing and economically productive relationship with the people of Coral Harbour for years to come. It is well known that up

to sixty local residents of Coral Harbour directly benefit from this undertaking and that that processing of the meat employs up to fifteen Rankin Inlet residents.

The Chesterfield Inlet and Whale Cove Char Fishery

Kivalliq Arctic Foods will also continue working closely with the communities of Whale Cove and Chesterfield Inlet as it continues to support both local summer char fisheries. In addition, the company will further develop its relationship with the community of Repulse Bay in supporting an early winter Char Fishery.

Kivalliq Arctic Foods will again assist in the operation of the Whale Cove Fish plant where it estimates landings of 15,000 lbs and seasonal employment for fifteen local fishermen. The company will also provide a direct outlet for the Aqigiq HTO in Chesterfield Inlet and the Arviq HTO in Repulse Bay to sell their char where it estimates landings of 15,000 lbs and seasonal employment for ten local fishermen.

Kivalliq Arctic Foods Ltd.	
Proposed 2008-2009 Capital Projects	
From Capital Fund (Core Funding) – Vote 1	
Project # 1 Process are cooling improvements	\$ 48,000
Project # 2 Processing equipments	10,000
Total Capital	\$ 58,000

Pangnirtung Fisheries Ltd.

Pangnirtung

PANGNIRTUNG FISHERIES LTD.	2008-2009	2007-2008
Subsidy Program Fund	170,000	170,000
Capital Program Fund	55,000	55,000
Gov't of Nunavut Core Program Funding	225,000	225,000
Gov't of Nunavut Capital Program Funding	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	225,000	225,000
SALES FORECAST	2,800,000	2,300,000
JOB FORECAST	30	33

The Nunavut Development Corporation holds 51 % of the voting stock at Pangnirtung Fisheries Ltd., the remaining 49 % of voting stock is held by Cumberland Sound Fisheries Ltd.

The Turbot Fishery

In cooperation with Cumberland Sound Fisheries, the Federal Department of Fisheries and Oceans, the Nunavut Wildlife Management Board and the Baffin Fishing Coalition, the company will work to ensure it has adequate access to necessary quota resources to ensure continued employment for approximately thirty full-time plant workers in the community. Additionally, Pangnirtung Fisheries will continue to work closely with local inshore turbot fishermen during the winter Cumberland Sound “ice-fishery”. Inshore gear will continue to be made available and the winter fishery will continue to provide seasonal employment for up to fifty local individuals. It is hoped that inshore ice conditions

will allow for a more successful fishery in the coming year where, if conditions are favourable, landings of 200,000 lbs are anticipated.

The Char Fishery

Pangnirtung Fisheries will also support local char fishermen, both winter and summer, and buy their char as harvested in the lakes and ocean. Up to fifty local fishermen rely on this fishery.

Pangnirtung Fisheries Ltd.	
Proposed 2008-2009 Capital Projects	
From Capital Fund (Core Funding) – Vote 1	
Project # 1 Ice making machine	\$30,000
Project # 2 Vacuum packer	15,000
Project # 3 Platform scale	8,000
Project # 4 Computer upgrades	50,000
Total Capital	\$ 55,000

Papiruaq Fisheries Ltd.

Whale Cove

PAPIRUQ FISHERIES LTD.	2008-2009	2007-2008
Subsidy Program Fund	32,000	34,000
Capital Program Fund	-	-
Gov't of Nunavut Core Program Funding	32,000	34,000
Gov't of Nunavut Capital Program Funding	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	<u>32,000</u>	<u>34,000</u>
SALES FORECAST	25,000	25,000
JOB FORECAST	1	1

The Nunavut Development Corporation holds 51% of the voting stock at Papiruaq Fisheries Ltd., the remaining 49% of voting stock is held by the Issatik Hunters and Trappers Association.

Whale Cove

The seasonal plant will again open for six weeks in the summer and support char fishermen from the communities of Arviat, Whale Cove and Rankin Inlet. The plant provides significant economic spin-offs to the community both through direct employment and increased commercial activity generated by visiting fishermen. The plant itself provides seasonal work for two individuals during the months of July and August.

THE ARTS AND CRAFTS SUBSIDIARIES

Revised Production Efforts

Experience has proven that the local production of non-traditional Nunavut themed souvenir items such as t-shirts or ball caps targeted for southern market places is not economically sustainable and the costs of such initiatives out weight the employment benefits. New more viable production strategies concerning these items are being pursued that will allow the arts and crafts subsidiaries derive a greater economic benefit. Purchasing activities at the existing arts and crafts companies now focus on traditionally produced items such as stone carvings, wall hangings, sewn goods and various other forms of contemporary and traditional Inuit art where we maintain a natural competitive advantage. This focus will continue to be the preferred business model for these companies going forward.

Additionally, the subsidiaries will actively seek out partnering opportunities with existing businesses, agencies, departments and community groups involved in the arts and crafts sector. Our facilities are highly functional and well equipped, we feel there is much to offer in this regard for initiatives such as the traditional sewing and design program being planned at Nunavut Arctic College. We believe that our Kiluk facility in Arviat could play a valuable role in the delivery of these courses and would prove to be an excellent environment for such an initiative.

Ivalu Ltd.

Rankin Inlet

IVALU LTD.	2008-2009	2007-2008
Subsidy Program Fund	-	-
Capital Program Fund	3,000	-
Gov't of Nunavut Core Program Funding	3,000	
Gov't of Nunavut Capital Program Funding	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	3,000	-
SALES FORECAST	250,000	170,000
JOB FORECAST	3	3

The Nunavut Development Corporation holds 100 % of the voting stock at Ivalu Ltd.

This company will operate without subsidy as a retail operation only and will be located in the same building that houses the offices of the Nunavut Development Corporation. It will act as a showpiece retail store for all Nunavut Development Corporation products along with a representative mixture of locally produced arts and crafts.

Ivalu Ltd.	
Proposed 2008 - 2009 Capital Projects	
From Capital Fund (Core Funding) – Vote 1	
Project # 1 Computer Upgrades	\$ 3,000
Total Capital	\$ 3,000

Jessie Oonark Ltd.

Baker Lake

JESSIE OONARK LTD.	2008-2009	2007-2008
Subsidy Program Fund	150,000	150,000
Capital Program Fund	10,000	4,000
Gov't of Nunavut Core Program Funding	160,000	154,000
Gov't of Nunavut Capital Program Funding	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	<u>160,000</u>	<u>154,000</u>
SALES FORECASTS	250,000	200,000
JOB FORECAST	8	6

The Nunavut Development Corporation holds 100% of the voting stock at Jessie Oonark Ltd.

The company will focus more heavily on the production and procurement of local arts and crafts. It will also refocus on the production of non-traditional items which will be targeted to meet local, regional and Territorial demand for silk-screened or embroidered items.

Jessie Oonark Ltd.	
Proposed 2008 - 2009 Capital Projects	
From Capital Fund (Core Funding) – Vote 1	
Project # 1 Retail area carpet replacement	\$ 5,000
Total Capital	<u>\$ 5,000</u>

Kiluk Ltd.

Arviat

KILUK LTD.	2008-2009	2007-2008
Subsidy Program Fund	130,000	130,000
Capital Program Fund	5,000	-
Gov't of Nunavut Core Program Funding	135,000	130,000
Gov't of Nunavut Capital Program Funding	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	<u>135,000</u>	<u>130,000</u>
SALES FORECAST	220,000	190,000
JOB FORECAST	7	6

The Nunavut Development Corporation holds 100% of the voting stock at Kiluk Ltd.

The company will focus more heavily on the production and procurement of local arts and crafts. Kiluk will also remain committed to the production of its Nunavut sealskin line of clothing and accessories such as vests and purses. The company intends to display its new collection of sealskin clothing at the North American Fur and Fashion Exhibition Montreal.

KilukLtd.	
Proposed 2008 - 2009 Capital Projects	
From Capital Fund (Core Funding) – Vote 1	
Project # 1 Display freezer	\$ 10,000
Total Capital	\$ 10,000

Taluq Designs Ltd.

Taloyoak

TALUQ DESIGNS LTD.	2008-2009	2007-2008
Subsidy Program Fund	130,000	130,000
Capital Program Fund	-	-
Gov't of Nunavut Core Program Funding	130,000	130,000
Gov't of Nunavut Capital Program Funding	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	<u>130,000</u>	<u>130,000</u>
SALES FORECAST	100,000	70,000
JOB FORECAST	5	4

The Nunavut Development Corporation holds 51% of the voting stock at Taluq Designs Ltd., the remaining 49% of voting stock is held by the Netsilik Argankvik Limited.

The company focuses on the production of plush dolls and animals reflecting legends and culture of the region and the procurement of local arts and crafts. Taluq will also become more aggressive in the purchase of regional crafts, specifically soapstone carvings.

Uqqurmiut Arts & Crafts Ltd.

Pangnirtung

UQQURMIUT ARTS & CRAFTS LTD.	2008-2009	2007-2008
Subsidy Program Fund	170,000	170,000
Capital Program Fund	9,000	10,000
Gov't of Nunavut Core Program Funding	179,000	180,000
Gov't of Nunavut Capital Program Funding	-	-
TOTAL GOV'T OF NUNAVUT FUNDING	<u>179,000</u>	<u>180,000</u>
SALES FORECAST	600,000	600,000
JOB FORECAST	20	20

The Nunavut Development Corporation holds 51% of voting stock at Uqqurmiut Arts & Crafts Limited, the remaining 49% of voting stock is held by the Uqqurmiut Inuit Artist Association (“UIAA”).

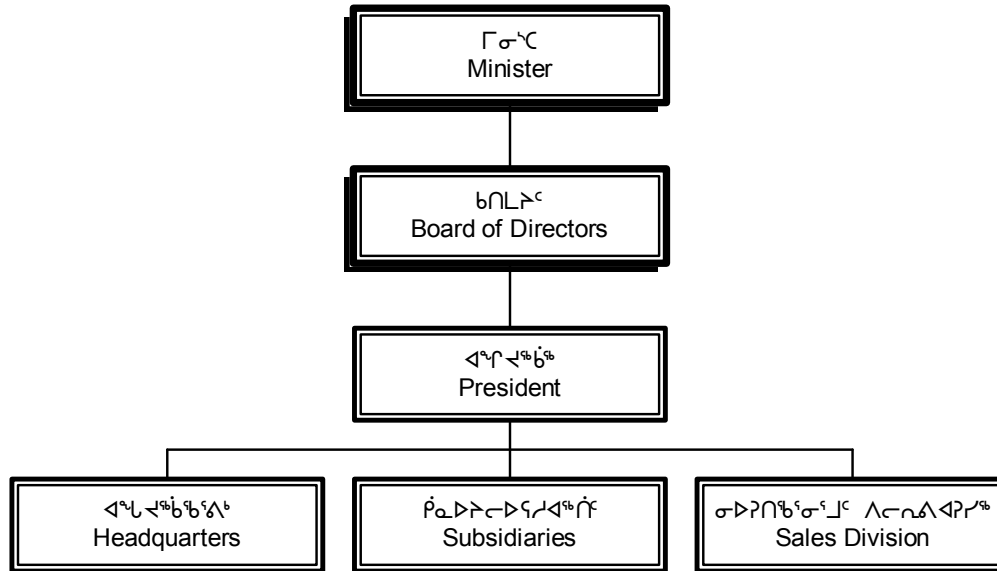
The company focuses on the production of tapestries, prints, sign making and the procurement of local arts and crafts. The company also operates a print gallery and retail studio out of the facility

Uqqurmiut Centre. Both the Corporation and Uqqurmiut Arts & Crafts will continue working towards a satisfactory divestment strategy turning eventual controlling of majority ownership to the UIAA.

Uqqurmiut Arts & Crafts Ltd.	
Proposed 2008-2009 Capital Projects	
From Capital Fund (Core Funding) – Vote 1	
Project # 1 Fire Safety Upgrade	\$ 9,000
Total Capital	\$ 9,000

APPENDIX I: Accounting Structure and Financial Summary

Accounting Structure Chart



ᐅᓂᓂᑦᑲᓂᑦᑲᓂᑦ	Person Years (PYs)	ᑲᑎᓚᓂᑦ Total
ᐅᓂᓂᑦᑲᓂᑦᑲᓂᑦ ᐅᓂᓂᑦᑲᓂᑦᑲᓂᑦ ᐅᓂᓂᑦᑲᓂᑦᑲᓂᑦ	Job Forecast PYs	115.0
ᑲᑎᓚᓂᑦ ᐅᓂᓂᑦᑲᓂᑦᑲᓂᑦ	Total PYs	115.0

Financial Summary

Capital Accounts

As mandated in the Nunavut Development Corporation Act, 10% of all capital expenditures must be held in reserve in the Capital Reserve Fund. The reserve is to be used primarily as a contingency fund held for use in covering potential cost over runs of approved capital projects.

Venture Equity Accounts

As of March 31, 2007 the Corporation maintained an uncommitted balance of \$445,000 in its Venture Equity Fund.

2008-2009 FUNDING SUMMARY BY ENTITY AND PROGRAM

	SUBSIDY PROGRAM FUND	CAPITAL PROGRAM FUND	GN CORE FUNDING VOTE 1	GN CAPITAL FUNDING VOTE 2	TOTAL GN FUNDING
Ivalu Ltd.	-	3,000	3,000	-	3,000
Jessie Oonark Ltd.	150,000	10,000	160,000	-	160,000
Kiluk Ltd.	130,000	5,000	135,000	-	135,000
Kitikmeot Foods Ltd.	360,000	75,000	435,000	-	435,000
Kivalliq Arctic Foods Ltd.	250,000	58,000	308,000	-	308,000
Pangnirtung Fisheries Ltd.	170,000	55,000	225,000	-	225,000
Papirug Fisheries Ltd.	32,000	-	32,000	-	32,000
Taluq Designs Lts.	130,000	-	130,000	-	130,000
Uqqurmiut Arts & Crafts Ltd.	170,000	9,000	179,000	-	179,000
Potential New Subsidiary	150,000	-	150,000	-	150,000
Sub Total Subsidiaries	<u>1,542,000</u>	<u>215,000</u>	<u>1,757,000</u>	-	<u>1,757,000</u>
Sub Total – HQ	<u>1,256,000</u>	<u>5,000</u>	<u>1,261,000</u>	-	<u>1,261,000</u>
Sub Total - Sales Division	<u>280,000</u>	<u>40,000</u>	<u>320,000</u>	-	<u>320,000</u>
Total GN Core Funding	<u>3,078,000</u>	<u>260,000</u>	<u>3,338,000</u>	-	<u>3,338,000</u>

2007-2008 FUNDING SUMMARY

	2008-2009	2007-2008
GOVERNMENT OF NUNAVUT CORE FUNDING	3,338,000	3,188,000
GOVERNMENT OF NUNAVUT CAPITAL	-	-
TOTAL GOVERNMENT OF NUNAVUT FUNDING	3,338,000	3,188,000