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Iqaluit

Speaker: The Honourable George Qulaut, M.L.A.

Legislative Assembly of Nunavut

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(Amittuq)

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(Gjoa Haven)
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Simeon Mikkungwak
(Baker Lake)
Deputy Chair, Committee of the Whole

Hon. Joe Savikataaq
(Arviat South)
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Iqaluit, Nunavut
Friday, March 3, 2017

Members Present:

Mr. Tony Akoak, Ms. Pat Angnakak, Hon. Monica Ell-Kanayuk, Mr. Joe Enook, Hon. George Hickes, Mr. David Joanasi, Mr. Pauloosie Keyootak, Hon. George Kuksuk, Mr. Steve Mapsalak, Hon. Johnny Mike, Mr. Simeon Mikkungwak, Mr. Paul Okalik, Hon. Keith Peterson, Hon. Paul Quassa, Hon. George Qulaut, Mr. Allan Rumbolt, Mr. Tom Sammurtok, Hon. Joe Savikataaq, Mr. Isaac Shooyook, Hon. Peter Taptuna.

>>*House commenced at 8:59*

Item 1: Opening Prayer

Speaker (Hon. George Qulaut) (interpretation): Can you say the opening prayer, please, Mr. Mikkungwak.

>>*Prayer*

Speaker (interpretation): Good morning, my fellow Nunavummiut. Members, ministers, (interpretation ends) Premier, (interpretation) and visitors, welcome to the House.

Mr. Rumbolt.

Mr. Rumbolt: Thank you, Mr. Speaker. Good morning, members. Good morning to the people of Sanikiluaq and people of Nunavut.

Mr. Speaker, I seek unanimous consent to proceed directly to Item 19 on the order paper. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. (interpretation ends) The member is seeking unanimous consent to proceed

directly to Item 19 on the order paper. Are there any nays? There are none. We will proceed directly to Item 19.

Item 19. [Consideration in] Committee of the Whole of Bills and Other Matters. Bills 32, 33, 34, and 35 with Mr. Mikkungwak in the Chair.

In accordance with the authority provided to me by Motion 41 – 4(3), the committee will stay in session until it reports itself out.

I ask that members remain at their desks so that we can immediately proceed to the Committee of the Whole.

(interpretation) Sergeant-at-Arms.

**Item 19: Consideration in Committee
of the Whole of Bills and Other
Matters**

Chairman (Mr. Mikkungwak) (interpretation): Good morning, people of Baker Lake and all Nunavummiut.

(interpretation ends) I would like to call the committee meeting to order. In Committee of the Whole we have the following items to deal with: Bills 32, 33, 34, and 35. What is the wish of the committee? Mr. Rumbolt.

Mr. Rumbolt: Thank you, Mr. Chairman, and again good morning. Mr. Chairman, we wish to continue with Bill 34 and the review of the main estimates for the Department of Community and Government Services, followed by the Nunavut Housing Corporation and, if time permits, the Department of Family Services. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Does the committee agree that we first deal with (interpretation ends) Bill 34?

Some Members: Agreed.

Bill 34 – Appropriation (Operations & Maintenance) Act, 2017-2018 – Community and Government Services – Consideration in Committee

Chairman: I would now like to ask the Minister of Community and Government Services if he has officials that he would like to appear before the committee. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Yes, I would. Thank you.

Chairman: Does the committee agree to let the minister's staff go to the witness table?

Some Members: Agreed.

Chairman: Thank you. Sergeant-at-Arms, please escort the witnesses in.

Thank you. For the record, minister, please introduce your officials. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. To my right is Ms. Lori Kimball, the DM, and to my left is Mr. Darren Flynn, the ADM. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Welcome, Mr. Flynn and Ms. Kimball.

Yesterday we were on page J-3. Community and Government Services. Infrastructure. Following my list of names, Mr. Joanasie.

An Hon. Member: J-7

Mr. Joanasie (interpretation): Thank you, Mr. Chairman. I think we are on page J-7 (interpretation ends) under Infrastructure (interpretation) if I'm not mistaken.

(interpretation ends) Mr. Chairman, last year on February 29, 2016 during the Committee of the Whole's consideration of the department's 2016-17 main estimates, the minister had stated that the Department's Property and Assets Management Division was undertaking a program review to update its maintenance management standards. At that time the minister indicated that this review would help to ensure that the government's preventative maintenance and lifecycle renewal initiatives would support longer lasting buildings and that the review would be completed during the 2016-17 fiscal year.

Can the minister confirm if this review has been completed and, if so, what specific changes will your department be making to its maintenance management standards, if any? Thank you, Mr. Chairman.

Chairman: Thank you. Hon. Minister of Community and Government Services, Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. The review is still ongoing. Some of the stuff that we do now is, if there are any new buildings that are being designed, they are designed to be

energy efficient; less energy used than normal like light bulbs, better insulation, better doors, better windows. The review itself is still ongoing, but we are getting the best practices to get more energy-efficient buildings, whether the building is a hamlet office or a hamlet garage or whatever the case may be. Thank you, Mr. Chairman.

Chairman: Thank you. My apologies to the members. We are on page J-7. Mr. Joanasie.

Mr. Joanasie: Thank you, Mr. Chairman, and good morning too. The minister talked a bit about energy-efficient buildings. Can he state, out of the number of properties and assets that the government has, how many does the government consider to be energy efficient? Can he answer that? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I can't talk about how many we think are in the category about being really energy efficient, but the two that I can think of right now are the two new hamlet offices. One was built in Arviat and the other in Cambridge Bay. They have such stuff as the whole buildings, I believe, are LED lighting. I know the one in Arviat is and they have well-sealed doors on there. In that matter too we've got projects where we spend money to make a building or buildings more energy efficient, and then the money is recovered in terms of the efficiencies that we find in operating the building. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Joanasie.

Mr. Joanasie: Thank you, Mr. Chairman. Can the minister state how much cost recoveries are saved through this process of having energy-efficient buildings? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I don't have the exact figures, so I can't say we do this and we will save 10 percent or 20 percent. There's a project that will be going ahead in the Kivalliq and \$20 million will be spent and our savings are going to be approximately \$2 million a year. That would be a 10-year recovery on our investment. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Joanasie.

Mr. Joanasie: Thank you, Mr. Chairman. Can the minister clarify if he said he doesn't have that information or he can get that information? I think it's one or the other. Can the minister clarify? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Just to clarify, I don't have that information for any other projects, but I can get the information for Iqaluit because that was a pilot project and that one is done. If the members want, I can give them the figures for Iqaluit's pilot project. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Joanasie.

Mr. Joanasie (interpretation): Can you hear me? (interpretation ends) Okay.

Thank you, Mr. Chairman. I thank the minister for that. We look forward to that information and any other cost savings that the government incurs when they apply energy-efficient practices on their buildings.

Moving on, according to your draft 2017-2020 business plan one of the priorities, and I'm on page 188 of the business plan right at the bottom, the priorities for fiscal 2017-18, the upcoming fiscal year, is to "Work with the Department of Finance on refining the Government of Nunavut's capital planning process to identify long-term strategic priorities for infrastructure investment."

Can the minister indicate if your department is planning on making any significant changes to the government's past capital planning process during the upcoming 2017-18 fiscal year? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. One of the initiatives that has been done in that aspect is they're forming committees. I know you will probably say, "Well, there are all kinds of committees," but this is another committee that's going to deal with the capital planning process there. The rating criteria and prioritizing criteria may be changed by this committee. We're looking at any inefficiencies that will be there and stuff that we already do, like the preplanning studies, to make sure that before we commit the budget to

a project, the project is feasible and viable. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Joanasie.

Mr. Joanasie: Thank you, Mr. Chairman. I'm trying to figure out how. There is the Nunavut Infrastructure Advisory Committee. I thought that committee would do the ratings already. Can the minister explain how... He said that there is a new committee that's being formed. Is it one committee or multiple committees? How would they work in relation to the current Nunavut Community Infrastructure Advisory Committee? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I'll clarify for the member that NCIAC deals with the gas tax and ICCP deals with the GN portion. For clarification, the gas tax is 100 percent federally funded. With the other one, we either put in our share depending on which project or we fund it all. If it's with the New Building Canada Fund, then we pay 25 percent. This committee will prioritize the GN's projects; they're all GN projects, but GN-funded projects. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Joanasie.

Mr. Joanasie: Thank you, Mr. Chairman. Also on the same page, in this current fiscal year's priorities you talk about that your department has begun developing "draft improvement measures based on initial feedback from departments and review of a cross-jurisdictional scan of capital planning processes across Canada. The primary focus of the improvement measures will

focus on the pre-planning and planning phases of capital planning.”

When you did the cross-jurisdictional scan, what did the department find in terms of best practices? What have you learned through this exercise? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. The member is correct that it's one of the priorities to look at the other jurisdictions. I think one of the outcomes has been that we have to come up with our own prioritization criteria. How can I put this cleanly? Down south they have more or less the same system, but they have competition. There are a lot more companies that can bid on projects. We are limited by the number of companies that can bid on certain projects. The competition is not quite as fierce up here. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Joanasie.

Mr. Joanasie: Thank you, Mr. Chairman. The minister stated that you have to come up with your own priority structure or process. Can he elaborate on that? I'm at a loss of how it is currently that you prioritize projects to go into the capital planning process. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. One of the things we have done is we have taken the criteria when we look at a project from three... . If you can look at a check-off list, there used to

be three that you check off, whether to prioritize it. Now it's up to 10. All the DM departments get together and they go through the criteria as to which projects should be prioritized because we're all aware that our needs are way more than the funds that we get. It's just a sad fact of life that some projects that are dearly needed don't get approved. We have to approve the ones that are the most critical needs. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Joanasie.

Mr. Joanasie: Thank you, Mr. Chairman. Along that same line he says that departments put in their priority lists, but then also there are these, he stated, ICCP and NCIAC. They deal with different funds. If a department says this has to be above this, would your department listen to the... ? For example, community X needs a health centre but community Y needs a school. Does Health go forward ahead of Education? How does your department deal with those kinds of situations? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Before I answer his question, I'll just give him a brief explanation about the different funding sources. For example, gas tax is 100 percent funded by the federal government, therefore it's included in the capital plan, but it doesn't go through the scrutiny and it doesn't need the approval process as like GN projects, which are funded by the GN.

As for his question for one community that needs a school while the other one

needs a health centre, we would look at the criteria of which is more in need, which is older, which is more used, what capacity is the school at, what the attendance of the school is, whether there are any work-related health issues with one or the other building. There are many different criteria that are put to it and it's just based on needs. Like I stated earlier, our needs are just more than what we are funded with. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. (interpretation ends) Community and Government Services Infrastructure. Next name on my list, Mr. Akoak.

Mr. Akoak: Thank you. Good morning, Mr. Chairman, colleagues, minister and staff, and Nunavummiut.

Yesterday my colleague, Mr. Enook, touched up on the office space strategy. In your answer you said that there were some RFP issues. I'm just wondering what that means, if you can explain it to me. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Maybe I didn't speak clearly then. RFPs were issued, not issues. Thank you, Mr. Chairman.

>> *Laughter*

Chairman (interpretation): Thank you very much. Mr. Akoak.

Mr. Akoak: My apologies. I thought I heard "issues" yesterday. Maybe I was

sleeping already. Thank you.

On page 187, Regional Infrastructure Offices, I have asked about an old building over in Gjoa Haven last year and I didn't really get any answers, I don't think, but I have been trying to get a building turned into a shelter of some sort. I'm going to ask: if somebody checks the building, then who would do the scope of work to see if it's feasible to renovate a building such as the size of that? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. If the member can just clearly state, he didn't quite ask. Is he talking about GN surplus buildings or GN buildings that are going from one department to another? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. I'm talking about an old health centre building over in Gjoa Haven that has been sitting empty and it is now being used by three Family Services employees. Do you know what building I am talking about now? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. When any government asset buildings are no longer being used by the department that was using them and the department does not want to use them anymore, the department surpluses the building.

We have a process and the way the process works is first it goes to see if any other GN departments want to use that building for their department's uses. If any departments do want to use it, then our department assesses it to see if it's feasible to use for the purpose that they want to use it for. It depends on what they want to use it for because there are codes that have to be met and stuff like that. If no GN department wants it, then it is surplus and the hamlets have the first right of refusal to acquire the property. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Akoak.

Mr. Akoak: How can I put this, Mr. Chairman? We have no other buildings in the community and every building is almost used for something else. As you know, all the communities in Nunavut are always short of housing and there are a lot of people on the waiting list. There are a lot of people that are homeless in a sense, but they have been taken in by their families.

I'm trying to find a way to be able to get the building assessed to see if that building would be made available so that it would become a homeless shelter. Would your department be able to go to my community tomorrow and assess it? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. As I stated earlier to the member there, if the client department surpluses it, then it's offered to the departments. If the departments don't want it, then the hamlet will have the

first right of refusal. I'm not sure where in the process that the old health centre is. I believe it has been surplus by the client department, but I would have to verify that. I don't know if any other departments want it.

I can feel for the member. I know he's only looking for a building, but it's not our mandate about homelessness. That would be to do with other departments. The process is, if they need a shelter for the homeless, then they should be talking to the hamlet there. Once it's surplus, the hamlet would acquire the building and they can do whatever they want with it. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. The building is in the right place where there's access to other services. It's a perfect place for a place such as a homeless shelter. I'll go on to something else.

For office spaces, I'm just going to use my community again as an example because I know it. We have three people working in the old health centre, but I believe there is something out that they will be putting it into the present government office. Do you know when that RFP is going to come out to get new offices into that building? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. No, we don't have that information because we work with the client departments. When the client

departments are going to move out of a building, that's when they would let us know. As for when there will be an RFP issued for any new office space in Gjoa Haven, no, we don't have that right now. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. From rumours I have been hearing, they would be moved into the present government office. That's just a comment. Thank you, Mr. Chairman. I'm done.

Chairman: Thank you. That was just a comment. Community and Government Services. Infrastructure. Ms. Angnakak.

Ms. Angnakak: Thank you and good morning. *Ullaakkut.*

I want to ask a question about codes. Let me just back up a little bit. Remember when the Governor General's office was here and they said that the schools were not in compliance with fire codes and that, I'm wondering if you could tell me what percentage of facilities within the government at this present time are not in compliance with fire codes or other kinds of codes up to where they should be. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We don't have that level of detail with us, but any inspections that are done, the deficiencies are noted and they are issued to the schools or the daycares or whatever is inspected. There should be a follow-up process where they check again to see if the

deficiencies are corrected. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. Apparently I said Governor General; I meant Auditor General. Sorry.

It was kind of alarming when we read that report and it makes me wonder: if you have an office that looks after this kind of thing, how do you get to that point at that time? Why were schools and daycares put in that kind of situation, and what has changed now so that that never happens again? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I can't comment on how those schools got to that stage before the issues were addressed. To correct it, I believe we do inspections twice a year on schools and other properties now. Thank you, Mr. Chairman.

Chairman: Thank you. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. Since you do regular inspections now, I would imagine then you have a pretty good idea of where things are at. I know you say that you don't have that level of detail, but do you know of anything before you that is a real concern at this present time? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. There are no major concerns

or issues right now because if there was, then we would be dealing with them to make sure that they weren't big concerns or issues. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you. I want to go on to something else about what my colleague, Mr. Akoak, talked about, about properties. I know as the minister, you said that you don't know what's coming up in terms of an RFP and that, but do you have a list or does the department have a list of properties that are currently up for disposal or have been identified as surplus? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. If the member can just clarify if she's talking about buildings that are going to be surplus or if she's talking about leases that are about to expire. I'm just not clear on that. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I was not referring to any leases, just buildings. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I thank the member for clarifying it. We are compiling a list, but each department has to come up with that list of surplus buildings to CGS.

We're, I guess you call it, the collector of the lists, but the departments have to give us the information on any buildings that they are not using and they wish to surplus. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I'm wondering if the minister can tell us what kind of oversight does his department really provide to the other departments. Is there a time frame they're supposed to get back to you every year, "By this time we want to know what buildings are going to be surplus and what needs to be disposed of"? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. There was no formal process before. It was just the departments did it; there was no timeline and no criteria. Now we're in the process of formalizing it so that each department has to tell us what buildings are surplus. From that master list we would take that and see if any of the departments needed or want the buildings for any use and, if not, then we would dispose of it.

We have heard on many occasions about old government derelict buildings in communities that just sit there and they could be a health hazard or a safety hazard. Those are the kinds of things that we would like to clean up. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I think, too, communities that are in dire need of buildings have to wait so long before and finally when they do hear, sometimes the building gets to that point where it's no longer usable. I'm really happy to hear that you have now a process in place because we need to speed up the process. I remember the member from Sanikiluaq here talking about a building it seemed for many years that needed to be disposed of and it just took so long. I'm happy to hear that you're coming up with a process. I think that's going to be very beneficial.

I would like to go to page 188. I know you're talking about and Mr. Joanasie touched on this about the "capital planning process to identify long-term strategic priorities for infrastructure investment." I know that the department deals with different funding agencies. There are different pockets of money; they don't all come from the same place.

Within the GN itself, when it comes to capital investment, I am concerned and I have been since I became an MLA about some of the projects that are on the capital list that have... . I understand that we're not talking about capital, but we are talking about the capital planning process. That's right here. Part of the capital planning, I would assume, is impacted by what's already on the list. You have a lot of projects on the list that have been there for a long time.

Throughout this planning process, what kinds of changes are you going to make so that we don't have projects that sit on the plan for years and years? I think one of the reasons why I believe they sit on the plan for a long time is because initial investments were made years back. They

kind of sit there because we put \$1 million into the design and now we don't have any money to actually build it. Now it just sits there. The thing is it gets in the way of further developments or future developments. How, as a department, are you guys going to address that? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I can't comment too much on past practices, but from here forward, it has been an ongoing process where we're having the capital planning process streamlined. We do stuff like preplanning studies now. We also include now, if it's a replacement of a structure, what they're going to do with that structure so that it doesn't just sit around. Okay, we're getting a new health centre here. Therefore in the old days we're getting a new health centre and they never really thought about what's going to happen with the old health centre. Now as part of the capital planning, they're going to get a new health centre. Okay, the department has to come up with what they're going to do with the old health centre.

I know that's not what you were asking about, just to say that the whole capital planning process is trying to be fixed up for the better. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. As part of that capital planning process, as I mentioned, there are old projects that sit on the capital plan that are just continuing to sit there. What is the department's plan? How are

you going to address that? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I'm not sure which project she is talking about, but it all comes down to the prioritization of capital projects because it takes a while from when they want to do something from a conception until it actually goes out to tender. All I can say is that it is just to do with prioritizing and sometimes priorities change. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I look forward to hearing more about developments in that area because I think, in order to go forward, you're going to have to make some changes when you look at the list.

I want to go a little bit about where you speak about to "Explore alternative and innovative project delivery mechanisms such as design-build, construction..." Perhaps I need a little bit of education here about the difference between the traditional design-bid-build process and the design-build process. I don't understand the difference. Can you please explain to me what the difference is? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I can explain that to the member, yes. When a project is design-built, the RFP goes out. I'll take Cape

Dorset for example, the school there. It says, "We need a school. The school has to be this big. It has to have all these items in it. It's going to be built on this location." That's how the RFP goes out. That's the design-build. Whoever gets the successful RFP designs the building with all the specs that are included, and that's what their price is.

The other process is where there are two separate contracts, one is someone gets to design the school and someone else gets to build it. We put an RFP out saying, "We want a school. It has to have this, this and this," but the RFP is only for the design. Once the design is accepted, a tender will go out to build that designed school, if it's clear. Thank you, Mr. Chairman.

Chairman (Mr. Enook)(interpretation): Thank you. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. It kind of sounds like when you're a homeowner and you want to build your home, you do it all at once. You pay the architect and you tell them what you want. I guess it's like that.

Do you know yet basically how much money you're going to save or the government will save by going through this process and the timing? Do you know anything yet? I know it is early days, but so far to date what have you found out? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. There are pros and cons on both sides. It depends on what the construction is. The example I used with

the Cape Dorset school, we did save money on it and we did save time on it. That is not saying that every project would save time and money, but in that case it did. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, minister. Moving on, Mr. Mikkungwak.

Mr. Mikkungwak (interpretation): Thank you very much, Mr. Chairman. My first question is in Baker Lake there was an asset that was sold by the government and was in the process of being transferred to the hamlet, but it seems that it has stalled. For that reason the Baker Lake hamlet council had an idea of what the building would be used for and on the other hand a society wanted to use the building. With that being the case, as the Department of Community and Government Services, how would you deal with that? Who would you surplus it to and who would you support? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. The member just talked about a building. I'm not sure what building it is in Baker Lake, but the process for disposal of surplus buildings from the GN is a process that is straightforward. If a client department surpluses a building, it is first offered to the other government departments. If none of the other government departments want it, then it would be offered to the hamlet as first right of refusal. If the hamlet accepts it, then the GN's involvement is done at that time. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, minister. Mr. Mikkungwak.

Mr. Mikkungwak: Thank you, Mr. Chairman. The building that I was referring to was the old DPW building. It has been sitting idle there because we have the municipality having an idea for that building and a registered society also wants to get that building. The minister of the day was aware of the situation, but I just wanted to... .

My second question here is, as a department you have shut down on old infrastructure building within my community which was used by various groups within the community. Due to the fact of harmful substances within the infrastructure building, are there any plans of renovating it or is the decision of completely going decommissioning? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Right now we don't have any plans to renovate it. It seems like it would be cost prohibitive to try to resurrect the building due to its age and condition, but we have no plans to replace it either at the moment. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, minister. Mr. Mikkungwak.

Mr. Mikkungwak: Thank you, Mr. Chairman. As the minister and officials are aware, it's in a very ideal location within in our community. I'm referring to the old health centre. It's a prime area. In Baker Lake it's called the elders block. When you look at that building,

will your department be meeting with the Municipality of Baker Lake to have a plan of action for decommissioning or is there going to be a study and a full analysis and assessment plan of action to deal with that particular infrastructure? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. The client department would first have to surplus the building no matter what building it is, and then the CGS department would look at it. If it is deemed too cost prohibitive or too unsafe, then options would look at probably to demolish it. We're not at that stage yet. We just follow the process, but we would not want to turn over a building that was unsafe to anyone. I can't confirm whether the client department has surplused the building or not at the moment. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, minister. Mr. Mikkungwak.

Mr. Mikkungwak: Thank you, Mr. Chairman. I understand the department's decision on this considering the fact that there may be harmful substances within that infrastructure. I guess my question here would then be: what timeline do you have to make a final decision on that particular building? Are we looking at two to three months or before the fiscal year-end or before the term of this Legislative Assembly? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you. Minister Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. As I stated earlier, it's up to the client department to surplus the building. We don't tell the client departments, "Okay, you have to surplus this building within 30 days." We wait for the client department to surplus any buildings that they deemed are surplus for their needs. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, minister. Mr. Rumbolt.

Mr. Rumbolt: Thank you, Mr. Chairman. Yesterday at the end of the day the member for Pond Inlet was asking questions about the office space strategy. One question he asked was which community is in the most critical need of office space. The minister's reply was that "The member from Sanikiluaq will probably be happy to hear...I believe that Sanikiluaq is in the most dire need for office space."

Mr. Chairman, I cannot say that I am happy to hear that because it's something that I have known for many years. I have asked many questions in the House on this issue. I have talked a lot of one-on-ones with ministers and other department members about the issue of office space in my community. I have written letters with suggestions of how to alleviate some of the problems that we have.

Finally the government did their own study and proved to themselves that Sanikiluaq is in dire need of office space. Now that we're at that point and everybody agrees that we do need office space in Sanikiluaq, what are the next steps? Thank you, Mr. Chairman.

Chairman (Mr. Mikkungwak) (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. For the short term what we have done is we have acquired the use of the old NAC building and we have built offices in there. That's just for the short term. For the long term, once the old health centre is replaced, the plan is to convert it into office space. That's the long-term plan. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Rumbolt.

Mr. Rumbolt: Thank you, Mr. Speaker. I'm glad the minister brought up the use of the old health centre when a new one is built because it brings another question to mind.

The construction on Sanikiluaq's new health centre is due to begin about a year from now. In light of what has happened now with the school burning down in another community, is there a possibility that this project or any other GN projects will be delayed because of this fire? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I can't comment on whether it will delay other capital projects or not. It is too soon to know what impact the burning of the school in Kugaaruk will have, but if a project is already approved by the House, then generally it goes forward. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Rumbolt.

Mr. Rumbolt: Thank you, Mr. Chairman. Again along the same line of questioning, with the school burning down, you say that it's too early to tell how it will affect the budgets. Do you have any idea how long before the government will be able to give us some idea if this fire will affect any kind of future projects? Thank you.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I can't answer that question right now. I think that would probably be answered best by either the finance minister or the House here, but it's too early to tell. For example, when the Cape Dorset school burned down, it didn't appear to affect any of the budgets that were slated to go out at that time. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. (interpretation ends) Community and Government Services. Infrastructure. (interpretation) Following my list of names, Mr. Shooyook.

Mr. Shooyook (interpretation): Thank you, Mr. Chairman. While we are on the subject of office spaces, I have a question for the minister. Welcome. Office space in Nunavut is one of the most critical challenges facing us or at least one of the most important issues.

In Resolute Bay the Department of Family Services and I forget which other department were working out of a very antiquated building that I referenced in the past. If you can recall, when it was

no longer in use, the occupants were moved to a different office that they are now leasing.

I wonder if the lack of office space in Resolute Bay is listed in your documents or if it is completely outside of your plans. What is the status of this building? That is my first question and perhaps you can accommodate my request for clarification. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Mr. Chairman. We are aware of lack of office space in Resolute Bay and our department has separate offices with no space in the community. Although we are aware of the possible office space that the Department of Family Services is leasing is inappropriate, it is being dealt with. Nonetheless, no other office space has been identified for the department. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Shooyook.

Mr. Shooyook (interpretation): Thank you, Mr. Chairman. I also thank the minister for that and I imagine I will bring this question up at a later date.

With respect to this issue, with the construction of the new health centre, our old health centre will no longer be in use. Since the new building has been completed, the old building also surpassed its useful life and it is quite an old building.

There is another building that was used as an office building which is older than

me. It's probably about 100 years old and it's in my community. I don't know if there is a safety issue involved, but it was renovated and it is now owned by the hamlet. It was used for many years, but the issue of safety never came up.

I don't know whether I'm getting ahead of myself, but there are communities that are lacking office space. Is it possible to have that old health centre retrofitted for office space or as a meeting space for local organizations? Do you have any plans for that old building? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Mr. Chairman. The health centre in Arctic Bay will no longer be used and we are aware of that. The Department of Health owns that building. When they no longer require that building, the government can allocate it to another department. If no other department requires the building, then it would be allocated to the municipality. That is the process we use.

At this time the Department of Health has not said that they require the building, so we have not made any decisions as to what the building will be used for once they move to the new health centre. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Shooyook.

Mr. Shooyook (interpretation): Thank you, Mr. Chairman. My constituents can hear and I'm sure they understand exactly what is occurring.

Going on to another topic regarding office space, while we're here I would like to ask a question on page J-7. I believe we're on that page. The renewable resources office in Arctic Bay is very old and it lacks space. I will talk about it in two parts. The building is old and I'm not sure when it was last renovated, but I'm sure it will need renovations. The building in Resolute Bay is also very old.

Are those buildings going to be renovated? Do you have any plans to renovate those buildings or will you be replacing them altogether for Arctic Bay and Resolute Bay? Can you elaborate further on that for me? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. (interpretation ends) Hon. Minister of Community and Government Services, Mr. Savikataaq.

Hon. Joe Savikataaq (interpretation): Thank you, Mr. Chairman. I have seen the office spaces that the member is talking about in Arctic Bay. It is quite old, but the client department usually requests renovations or replacement of buildings. It is the client department that makes those decisions. It is not our department that makes the decision because they are the ones that have a budget for it. I will speak to the Minister of Environment because the office in Arctic Bay is so old now. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. (interpretation ends) Community and Government Services. Infrastructure. Second time around I'll recognize Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. It's just one question. In the Inspection Services on page 188 you have down on-site inspections. How many times a year do you go to each community in all of Nunavut, especially in the Kitikmeot? Thank you, Mr. Speaker...oh, Mr. Chairman.

Chairman: Thank you. I almost got promoted, but Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. That's a pretty broad question because there are many different inspectors for many different things. There are building inspectors, fire inspectors, electrical inspectors, and boiler inspectors. That's just too broad. I can't answer that question. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Akoak.

Mr. Akoak: My apologies to the minister. It's to buildings. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I still can't answer that question. We have an electrical inspector for the building. We have a building code inspector for the building. We have many inspections for a building, so I can't answer that question. If someone brings up an issue, then it would be inspected or if there's a new building, then it has to be inspected. In terms of how often we go to places, it's just too broad. I can't answer that question. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. In your business plan on page 188, from 2016-17 to 2017-18, it is increasing by \$871,000. Does that mean you will be doing more inspections? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We're putting in more PYs for building inspectors, so yes, in theory we would be doing more inspections. Thank you, Mr. Chairman.

Chairman: Thank you. Following the list of names, second round, Mr. Enook.

Mr. Enook (interpretation): Thank you, Mr. Chairman. I am aware of the fact this question was partially asked by Ms. Angnakak as well as by you, Mr. Chairman, Mr. Mikkungwak, related to buildings that are declared surplus buildings.

What I want clarification on is that you stated your department is idly waiting for client departments to notify you of the fact a building is no longer needed or that this equipment is no longer needed. Buildings and infrastructure, in particular buildings that have recently been vacated, are usually in fairly good shape with not much damage.

However, in the interim between notification from the client department and transferral of ownership, these abandoned buildings become vandalized. A building not requiring too much renovation becomes no longer usable as your department waits for notification, as I imagine certain legislation applies. However, in this interminable length of

time where the department is waiting for notification, the buildings start to deteriorate and the possible useful life of the building is impacted.

As the manager of government infrastructure as well as the maintenance of the buildings, as a government, have you discussed how to fast-track this process? As an example, there should be a directive or policy in place that once a client department decides a building or infrastructure is no longer needed, you allow them a year to make a decision. Do they provide their decision to your department? If there was such a regulation, we can utilize those buildings that are no longer being used. Have you ever discussed this matter? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We started a process almost on exactly what the member is envisioning. On an annual basis now, each department is asked whether they have any buildings that are surplus. If there is, then it's dealt with at the DMC level.

Also in the capital planning process, if a building is being replaced, the client departments must have a plan on what they are going to do with the building that's going to be replaced. Are they surplus it? Are they going to keep it for a different use?

We are working toward a better system where we don't end up with old derelict buildings, like the member said, that could have had another use that end up

being old and derelict that are unusable.
Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Enook.

Mr. Enook (interpretation): Thank you, Mr. Chairman. I know this was answered many times, but I believe we continually ask this question. When infrastructure or equipment that belongs to the government becomes surplus, who has the priority for the disposal of the building or asset? Do you inform the public through the media? Can you remind me what practice you use for this? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Since we're talking about infrastructure and buildings, we will stay with that. The process is, when a client department no longer needs a building, the client department will surplus it. It will be first offered to other government departments if they have any use for it. If all the other departments have no use for it, then the hamlets have the first right of refusal. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. (interpretation ends)
Community and Government Services.
Infrastructure. Mr. Okalik.

Mr. Okalik (interpretation): Thank you, Mr. Chairman. The minister had mentioned a report from last year in regard to the retrofit of existing facilities to reduce O&M and have more energy-efficient buildings. We have been pleased about energy-efficient buildings.

Looking at the business plan, it seems like there are no plans for energy-efficient buildings. I would like to ask the minister what the status is now. Is the report that you tabled just going to collect dust on the shelf, even though we need to use it? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. Any new infrastructure projects that we have, we do spec out that they have to be more energy efficient in both operational costs and in terms of the insulation value. Another project that we have done, the pilot project here in Iqaluit, it's called the energy efficiency retrofit. We spend the money and then we get it back in the savings that we make. If approved, then the next pilot project that will be done will be in the Kivalliq for the same project that was done here in Iqaluit. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Okalik.

Mr. Okalik (interpretation): Thank you, Mr. Chairman. There's no mention of the energy efficiency program or project. When are you going to start that program again? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. It's an ongoing process. When we spec out any projects that are going to be build in the capital planning process, then we spec out for more

energy-efficient structures to lower the energy cost to operate the building.
Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Okalik.

Mr. Okalik (interpretation): Thank you, Mr. Chairman. I didn't get a response to my question. My question was: when are you going to start this program again? This program will start in the Kivalliq. When will you move on to the Kivalliq? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I talked about the Kivalliq one. That would be in the capital planning process, but it's not O&M. The next step is to do the Kivalliq in the next capital planning process. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Okalik.

Mr. Okalik (interpretation): Thank you, Mr. Chairman. If memory serves me correctly, the workers were never paid by the government, but are only now getting paid from the savings made by the government. These funds did not originate with the government. The private businesses initiated the construction and financed it themselves. It is only now that the government has released the funding for the project. Why then does the money now have to come from the government when it was privately financed in the first place? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. It's a bit of a complicated process. The best way I can explain is these projects that are like a mini 3P, it's an accounting process that has been deemed that it's going to be a capital cost. The money is spent by private industry and then we pay the private industry and we get our money back in terms of the savings. For accounting processes, it has been deemed that it's a capital project. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Okalik.

Mr. Okalik (interpretation): Thank you, Mr. Chairman. It would be interesting to see that in our immediate future and we expect a completed document that is properly written. That is it for me. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. (interpretation ends) It's just a comment. We will take a 10-minute break.

>>Committee recessed at 10:18 and resumed at 10:32

Chairman: I call the committee meeting back to order. Community and Government Services. Infrastructure. Mr. Joanasie.

Mr. Joanasie: Thank you, Mr. Chairman, for recognizing me for the second time. I have a few follow-up questions with regard to some of the line of questioning we had in relation to the capital planning process and their priorities stated on page 188 of the English business plan.

I'm trying to figure out when you state, "identify long-term strategic priorities for infrastructure investment." Given how in Nunavut we have 25 communities, every community has their own needs. At the same time every community is different. Population-wise we know Iqaluit is the largest and Grise Fiord is the smallest. How does the capital planning process at any point give weight or consider as a factor the population of a community and the investment going into that community? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. The capital process is evolving and, we believe, for the better. He is right that there are many factors that are put into there. There's population. There are demographics and the growth rate.

We're trying to predict not just what our needs and priorities are right now. We're trying to come up with a plan. There's probably about a 20-year plan. If you know that X number of communities have a certain population and their growth rate is really high or it's low, then you put that into the calculation.

We're trying to make it so that we're not always playing catch up, so that we can plan a bit ahead and try to get our needs in place before they get to the critical state. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Joanasié.

Mr. Joanasié: Thank you, Mr. Chairman. Still along the same lines, I'll use Iqaluit and Grise Fiord as an example in terms of population, statuses,

statistics, and that is factored into capital planning process and growth rate, that sort of thing. We know that they're not going to put a \$300 million airport in Kimmirut or Grise Fiord for that matter.

How does your department, through the capital planning process, make it equitable for the "have not" communities? We know there are different needs and every community is different, but is there a mechanism or some type of measure in your capital planning process to allow equity in investment for our communities? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. As I stated earlier, with the new capital planning process we have ten different criteria now that are looked at as opposed to there used to be three. I can't say what those ten priorities right now, but I have been informed that there are ten.

The way the capital planning process works is each department puts in their capital plan, and then the committee looks at the plan because obviously there's not going to be enough money for all of the departments' needs. That is prioritized. There are different criteria that have to be met in order for the ones that are going to go ahead. Once they're put in place, they're brought here to the House, and then everyone here asks questions and if they agree with that priority, then it's approved. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Joanasié.

Mr. Joanasie: Thank you, Mr. Chairman. I appreciate the minister's response on that. What I'm trying to bring out is that we often hear of the either larger communities or regional centres gaining more, whether it's infrastructure or investments, but also we have to recognize the other communities that go without.

I'm just trying to put out that perhaps we should maybe, in our capital plans, start identifying how we can have more balance or equity in terms of some communities. I'll use Kimmirut as an example. They have been fighting for a new airport since over 30 years and they will continue pushing forward another 30 years until it's built.

We know a new airport here in Iqaluit will be built for over \$300 million and I appreciate that priorities are identified and then they're brought into the House. In more of a transparent way we want to see how those priorities are determined and maybe we can work towards how we can have a better system in place that recognizes the communities that go without. Maybe in the future one day Kimmirut will have a new airport. I'll just leave that as a comment. Thank you, Mr. Chairman.

Chairman: Thank you. I take that as just a comment. Community and Government Services. Infrastructure. Total Operations and Maintenance, to be Voted. \$108,790,000. Agreed?

Some Members: Agreed.

Chairman: Thank you. The remaining branches are information items, but I believe members have questions on the

Petroleum Products Division. Mr. Rumbolt.

Mr. Rumbolt: Thank you, Mr. Chairman. I do have a couple of questions in this department for petroleum products.

I know there has been talk in the past about tank farm compliances. I think it was in 2012 that tank farm systems, petroleum products and allied petroleum product regulations came into force. I wonder if the department can update us today on how many tank farms in Nunavut are still not in compliance with these federal regulations. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We don't have that, but as I have stated on earlier occasions, CGS or the GN has talked with Environment Canada and they have agreed that they will let the incompliance to be fixed as we upgrade our fuel tanks, so it is not an added cost. They have just given us a little more time to become compliant on the fuel tanks and eventually all tanks will be compliant. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Rumbolt.

Mr. Rumbolt: Thank you, Mr. Chairman. The minister stated that Environment Canada has given them a little more time to become compliant. Did Environment Canada give them any kind of deadline on when they want all the tank farms to be in compliance with

the regulations? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I don't have that information because it's a part of the capital plan. It's not O&M, so I don't have that information here with me. The ones that were being worked on are done and are compliant now, but not all of the fuel tanks are compliant yet. They all will be, but it's a part of the capital planning process. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Rumbolt.

Mr. Rumbolt: Thank you, Mr. Chairman. I realize it might be a capital item, but I wonder if the minister can give us any indication of when he expects that all of our tank farms will be compliant. Thank you.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. No, I don't have that information here. I remember reading it, but it's bouncing around in my head right now and I wouldn't want to give him the wrong information. I'm not sure, but we can get back to the member. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Rumbolt.

Mr. Rumbolt: Thank you, Mr. Chairman. Just to change the subject a little bit, it goes back to my opening comments from yesterday where I talked about CanNor providing funding to

some Arctic Co-op businesses to help them expand their fuel truck garage facilities in eight communities across Nunavut.

Some members feel that this may give an unfair advantage to Arctic Co-operatives in the future when bidding on future contracts where any other private business may not have the same infrastructure now. I'm just wondering if the department feels that this could give an unfair advantage to future contracts for petroleum products. Thank you.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. As the member is aware, this is a federal program and we have no say in it. I found out about it probably the same way as everyone else when we read about it in the media.

The funding that they got to expand the garages was after the contracts were issued; it was not before. In the RFP process there was no advantage for anyone else. We have our contracts set up in a way now that they are ten-year contracts, so that whoever gets the contract can use the length of the contract to the bank as leverage to get funding. I can't comment on programs that we have no control over. Thank you, Mr. Chairman.

Chairman: Thank you. Following the list of names, Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I think about a year ago we had a discussion about the fuel distribution process and that Iqaluit was treated differently. I think at that time

you had said that the department was going to review that process. Can you give us an update today on what you found out? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We haven't done the review. We've had staffing and capacity issues with PPD. We're not done the review. Before the RFP goes out, the review will be completed as to which is the best system for the people of Nunavut and the GN. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. Can the minister tell us when he thinks that RFP will be coming out? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I believe the contract is for almost another year. I don't have the figures in front of me, but it's not that far away. Thank you, Mr. Chairman.

Chairman: Thank you. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. One of the things that I have found out about how government sets fuel prices, one of the components has to do with cost to ship and the cost to distribute. How varied is that cost across Nunavut? What are the extremes? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I can't say what extremes, but what I can say is that the costs are higher for transportation in the Kitikmeot. That's why they have higher prices there. The farther it is from where the product is loaded onto the ship the higher it is and the number of times that the ship has to unload in communities because each time it stops to unload, it costs more. For example, it comes here to Iqaluit and it dumps off its whole load and then it's empty. If it has to go to five different communities, then that cost is built into that. I can't give members the actual costs or the extreme costs. The Kitikmeot has the highest cost because they're the farthest from the source of the fuel. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I just want to go one other area and that's the stabilization fund. As I understand it, the limit is either plus or negative \$10 million, after which a remittance is required. As of today, where do you stand on that fund? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. We don't have the figures right now, but we expect that at the end of this fiscal year we will be in a surplus, but below the \$10 million threshold. I just want to explain a bit about why it takes so long to figure out where we are in terms of fuel prices and the stabilization fund.

We are fixing the system or making it better, easier, and simpler by having one regional price and one customer price per community. Until this was done on January 30, before that each community had its own pricing system and there was up to 14 different customer prices per community depending on if you are a business, if you paid cash, if you were the government, if you are a private industry or private person. Now we have streamlined it so that there's only one price per community and one price per region.

In the next year we will be able to tell what the stabilization funds are at a lot easier than we can now. Thank you, Mr. Chairman.

Chairman: Thank you. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I think anything that's simplified is always a good thing in my books.

I just have one more question. Your recent fuel products supply and transportation contract to Woodward's, this time they agreed not to charge PPD for storage and handling whereas before the government was charged .02 per litre. What kind of savings did you get from this? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I'll use the Minister of Finance's line, "Mr. Chairman, I don't have that level of detail." Thank you, Mr. Chairman.

>> *Laughter*

Chairman: Thank you. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. Will the minister be able to provide this to the House and go and get that level of detail so that we can have a better idea?

Furthermore, this seems to be a new situation where Woodward's is not charging us for storage. Does the department know if this arrangement will continue further on into the years to come? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. I would think it will. This is not new. It just didn't happen this year; it has been going on for a few years. I can't tell the member exactly when it started, but it just didn't start this year; it has been going on a while. Thank you, Mr. Chairman.

Chairman: Thank you. (interpretation) Ms. Angnakak, are you done? (interpretation ends) Thank you. Go to J-3. Department Summary. Community and Government Services. Total Operations and Maintenance, to be Voted. \$241,299,000. Agreed?

Some Members: Agreed.

Chairman: Do members agree we have concluded the Department of Community and Government Services?

Some Members: Agreed.

Chairman: Thank you. Closing comments, Hon. Minister of Community and Government Services, Mr. Savikataaq.

Hon. Joe Savikataaq: Thank you, Mr. Chairman. First I would like to thank my two staff that are here and I would like to thank their staff that give us most of the information that we need at our fingertips. There is some stuff that is just a little too detailed. We can only take so much here, unless we get a bigger table.

>>*Laughter*

I thank all the members for their questions and concerns. This is the process: we give you our budget and if you agree with our budget, then it's passed. It's a process that works and I thank everyone for their time and interest. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. I almost forgot like yesterday. Sergeant-at-Arms, please escort the minister's officials out.

(interpretation ends) I ask members to remain in their seats as we prepare for the Nunavut Housing Corporation.

I would now like to ask the Minister responsible for the Nunavut Housing Corporation if he has officials that he would like to appear before the committee. Mr. Kuksuk.

Bill 34 – Appropriation (Operations & Maintenance) Act, 2017-2018 – Nunavut Housing Corporation – Consideration in Committee

Hon. George Kuksuk (interpretation): Yes, I would like to have my officials here with me. Thank you very much.

Chairman: Thank you. Does the committee agree to let the minister's staff go to the witness table?

Some Members: Agreed.

Chairman: Thank you. Sergeant-at-Arms, please escort the witnesses in.

(interpretation) Thank you very much. (interpretation ends) For the record, minister, please introduce your officials. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. Good morning, Nunavummiut and my colleagues.

With me this morning to my left firstly is Curtis Allaby, acting CFO for the Nunavut Housing Corporation, and to my right this morning is the President and CEO of the Nunavut Housing Corporation, Terry Audla. That's who we are this morning. Thank you very much, Mr. Chairman.

Chairman (interpretation): Thank you very much. Welcome to the House, Mr. Audla and Mr. Allaby. You can now proceed with your opening comments, Mr. Kuksuk.

Hon. George Kuksuk: Thank you, Mr. Chairman and committee members. I am very pleased to meet with the members of the Committee of the Whole today to discuss the 2017-18 main estimates and business plan for the Nunavut Housing Corporation.

The GN funding for the Nunavut Housing Corporation for fiscal year 2017-18 will increase by \$3,473,000 from the 2016-17 main estimates. The increase includes:

- \$1,058,000 to cover the reduction in CMHC funding per the Social Housing Agreement.
- \$1,087,000 to cover increases in public housing utilities, property taxes, leases, and LHO administration and maintenance costs.
- \$1,328,000 to cover staff housing operations.

As the NHC's public housing portfolio increases so do the costs of maintaining our units. One hundred and two new units are scheduled to be added to the public housing stock during 2017-18. The budget increase will cover increased costs of maintenance and administration, utilities, property taxes, and leases.

Similarly, new staff housing stock means increased operating costs. In 2017-18, 93 new staff housing units are expected to be either constructed or leased. Budget increases will cover increased cost of maintenance, utilities, LHO and agency fees, and furnishings.

In 2016 the GN, led by the Nunavut Housing Corporation, completed its *Blueprint for Action on Housing* for the implementation of the *GN's Long-term Comprehensive Housing and Homelessness Strategy*. The blueprint outlines 60 concrete actions that the GN must undertake in order to properly address the territory's housing crisis. The NHC's business plan reflects the

first steps to implement these actions and the collaboration between departments that is required to achieve positive outcomes.

As the need for public and affordable housing in Nunavut continues to grow and the costs of maintaining units rise, federal funding will be increasingly critical to ensuring that the housing needs of Nunavummiut are met.

In 2017-18 the Nunavut Housing Corporation will continue to work closely with provincial and territorial colleagues to lobby the federal government for increased funding for both capital and operating costs of social housing in Nunavut. This year will be particularly important for lobbying as Canada develops its National Housing Strategy.

As another important piece of addressing the housing crisis and improving corporate operations, the Nunavut Housing Corporation will be working hard through 2017-18 to increase its training and development for Inuit employees, including developing a strong local workforce at our local housing organizations. This continues to be a significant priority for the Nunavut Housing Corporation, as outlined in our business plan.

I would be pleased to answer any questions you may have regarding the Nunavut Housing Corporation's 2017-18 main estimates and business plan. Thank you, Mr. Chairman and committee members. (interpretation) Thank you.

Chairman (interpretation): Thank you very much. (interpretation ends) Does

the co-chair of the standing committee have opening comments? Mr. Rumbolt.

Mr. Rumbolt: Thank you, Mr. Chairman, and good morning. Mr. Chairman, I am pleased to provide opening comments on behalf of the Standing Committee on Government Estimates and Operations on its review of the proposed 2017-18 main estimates and 2017-2020 business plan for the Nunavut Housing Corporation.

The standing committee notes that the Nunavut Housing Corporation's proposed 2017-18 operations and maintenance budget of \$199,843,000 has increased by approximately 1.9 percent since the introduction of its 2016-17 main estimates. The number of positions in the Nunavut Housing Corporation is 116. This is an increase of two positions from the 2016-17 main estimates.

During the minister's recent appearance before the standing committee, members took the opportunity to raise a number of issues and concerns.

On October 20, 2016 the *Blueprint for Action on Housing – Implementation Plan for the Government of Nunavut Long-Term Comprehensive Housing and Homelessness Strategy* was tabled in the Legislative Assembly. This important document contains 60 specific action items to address a broad range of housing issues.

The Nunavut Housing Corporation's proposed 2017-2020 business plan indicates that one of its priorities is to "coordinate an interdepartmental workshop to assess outcomes of the Blueprint for the 2017/18 fiscal year, and identify activities for the following

year. The NHC will also develop an Annual Status of Housing Report to be tabled in the fall sitting of the Legislative Assembly." The standing committee welcomes this commitment and looks forward to reviewing progress towards the implementation of the blueprint for action.

The Nunavut Housing Corporation's proposed 2017-2020 business plan indicates that the corporation is "working on improvements to the Management Agreement with LHOs. The updated Management Agreement will clarify the relationship between NHC and LHOs, and standardize program delivery and reporting requirements of LHOs."

As members will recall, the Nunavut Housing Corporation's Master Management Agreement was referred to the Committee of the Whole for detailed consideration earlier in the present Assembly. The standing committee looks forward to the tabling of an annual updated master management agreement.

In June of 2011 amendments to the *Nunavut Housing Corporation Act* were passed by the Legislative Assembly. These amendments provided for the establishment of a board of directors for the corporation. The standing committee is pleased to note that the Nunavut Housing Corporation's two most recent annual reports have included significantly more detail concerning board activities than in previous years' annual reports.

In 2004 a Member of the Legislative Assembly posed a detailed written question concerning public housing rental arrears and tenant damages. The

government's response indicated that as of November 2004, approximately \$6.6 million was owed in public housing rental arrears to local housing organizations across the territory.

The Nunavut Housing Corporation's 2014-15 annual report, which was tabled in the Legislative Assembly on November 5 of 2015, indicated that "...over \$27 million in rental arrears currently owed to the NHC could pay for the construction of almost 60 new public housing units."

The Nunavut Housing Corporation's 2016-19 business plan indicates that it had "established a working group, including LHO representatives, to review and develop an arrears reduction strategy. The overall 2014/15 collection rate was 88.38%; with 10 communities achieving a collection rate of 97% or higher."

The Nunavut Housing Corporation's 2015-16 annual report, which was tabled in the Legislative Assembly on November 8 of 2016, indicates that there was a total of \$30,644,893 in "rent receivables" owing as of March 31, 2016. The "collection rate" has decreased from 89.6 percent in 2013-14 to 83.8 percent in 2015-16.

The 2015-16 annual report also indicates that "The NHC is exploring the feasibility of effecting payroll deductions for GN staff in public housing. The NHC is finalizing a memorandum of understanding with the department of Family Services to allow Income Assistance clients' rent payments to be paid directly to LHOs. This will cover the majority of our

clients as at least 75% of our public housing tenants are on social assistance."

The Nunavut Housing Corporation's 2017-2020 business plan indicates that one of its priorities is to "Continue to monitor and review impact of collections policy and procedures to reduce LHO arrears," as well, "develop and implement LHO deficit recovery plans." The standing committee looks forward to regular updates on the status of these initiatives.

On January 24 of 2013 the Government of Nunavut announced changes to the public housing rent scale. These came into effect on February 1 of 2014. A key goal to reforming the public housing rent scale has been to remove disincentives to employment. However, the extent to which the new rent scale has achieved this goal remains unclear.

The standing committee notes that the Nunavut Housing Corporation's *Blueprint for Action on Housing* indicates that one of its specific action items is to "...review best practices related to various models of subsidized housing as alternatives to rent-geared to income.

- i. The NHC will review possible development of a fixed-rent subsidized housing model targeting high-income public housing tenants; particularly those currently paying maximum rent in public housing.
- ii. The NHC will explore avenues to support the creation of more collective homeownership options, such as cooperative housing and community land trusts."

The Nunavut Housing Corporation's *Long-Term Comprehensive Housing and Homelessness Strategy* states that "Staff housing should provide new employees who move into market communities with a home until they become settled. These employees should be encouraged to move into the private sector or discouraged from remaining in staff housing..."

The standing committee encourages the Nunavut Housing Corporation to carefully consider the full range of incentives and disincentives that could be applied to this area within the context of the government's *Staff Housing Policy*, and notes that one of the corporation's priorities for the 2017-18 fiscal year is to "issue an RFP to conduct an external review of the current GN Staff Housing Policy. The review will consider other potential methods to meet the housing needs of GN employees."

The 2016-17 *Ministerial Letter of Expectation to the Chairperson of the Nunavut Housing Corporation's Board of Directors* was tabled in the Legislative Assembly on June 7 of 2016. The letter of expectation states in part that the corporation is expected to provide a "yearly comprehensive report on all procurement, contracting and leasing activities..." The Nunavut Housing Corporation's 2014-15 annual report on contracting and procurement activities was tabled in the Legislative Assembly on March 16 of 2016. The 2015-16 annual report has not yet been tabled.

The Nunavut Housing Corporation's budget for its homeownership programs is funded through its annual capital estimates. The corporation's 2017-18

capital estimates, which were approved by the Legislative Assembly during its fall 2016 sitting, included a total of \$4,616,000 in funding for homeownership programs.

On November 2 of 2016 the minister announced that the Nunavut Downpayment Assistance Program will be modified so that "...only Nunavummiut [who] have lived in the territory for one year or more will be eligible to receive a forgivable loan to support the purchase of a new or existing home." These changes come into effect on April 1 of 2017. The standing committee applauds the minister for responding to members' long-standing concerns regarding the need for a residency requirement to be introduced for this program.

Mr. Chairman, that concludes my opening comments on the proposed 2017-18 main estimates and 2017-2020 business plan of the Nunavut Housing Corporation. Thank you, Mr. Chairman.

Chairman: Thank you. (interpretation) Are there any general comments? (interpretation ends) I want to remind members that the contents of the minister's opening comments are covered in the different branches of the department. If you have detailed questions, please ask them under the appropriate branches.

Department Summary. Nunavut Housing Corporation. Nunavut Housing Corporation. Page L-3. Total Operations and Maintenance, to be Voted. I have the list of names. Mr. T. Sammurtok.

Mr. Tom Sammurtok (interpretation): Thank you, Mr. Chairman.

(interpretation ends) Welcome, minister and your staff. On October 20, 2016 you tabled the *Blueprint for Action Implementation Plan for the GN Long-Term Comprehensive Housing and Homelessness Strategy*.

What is the approximate cost of implementing the Nunavut Housing Corporation's *Long-Term Comprehensive Housing and Homelessness Strategy*? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. (interpretation ends) Minister of the Nunavut Housing Corporation, Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. In regard to the member's question, outside of the budget we don't have any other funding other than the main estimates. It's in there, so we're dealing with it at this time. Thank you very much, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. T. Sammurtok.

Mr. Tom Sammurtok (interpretation): Thank you, Mr. Chairman. (interpretation ends) The *Blueprint for Action on Housing* contains 60 specific action items. How is the Nunavut Housing Corporation deciding which specific actions to prioritize in the 2017-18 fiscal year? (interpretation) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I

also thank the member for his question. The *Blueprint for Action on Housing* outlines how the housing corporation is deciding specific actions to prioritize. The housing corporation worked with stakeholders, non-governmental organizations, and various GN departments on prioritizing each of the action items. We also consulted with the regional Inuit associations in the Kivalliq, Kitikmeot, and Baffin, and even national entities such as the Inuit Tapiriit Kanatami. We worked with them and identified priorities. When we were working on the *Blueprint for Action on Housing*, we identified what items need to be prioritized. Thank you very much, Mr. Speaker.

Chairman (interpretation): Thank you very much. Mr. T. Sammurtok.

Mr. Tom Sammurtok (interpretation): Thank you, Mr. Chairman. (interpretation ends) The Nunavut Housing Corporation's proposed 2017-2020 business plan indicates that, and I quote, "To support the implementation of the Blueprint for Action, the NHC will coordinate an interdepartmental workshop to assess outcomes of the Blueprint for the 2017/18 fiscal year, and identify activities for the following year. The NHC will also develop an Annual Status of Housing Report to be tabled in the fall sitting of the Legislative Assembly." How will this report be different from the Nunavut Housing Corporation's current annual reports? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. In

regard to the member's question on the *Blueprint for Action on Housing* report, it will be implemented and it will be different from NHC's annual report.

I want my colleagues to know that the action items in the (interpretation ends) *Blueprint for Action on Housing* (interpretation) will move forward. We will provide updates on the progress of these action items. The status of the plan will be provided in those reports and tabled in the House. We will be putting together a progress report for the House, but this will continue because there are many action items we need to complete. As we progress, we will be issuing reports and tabling them. Thank you very much, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. T. Sammurtok.

Mr. Tom Sammurtok (interpretation): Thank you, Mr. Chairman. (interpretation ends) The Nunavut Housing Corporation's proposed 2017-2020 business plan states, and again I quote, "Each Public Housing unit requires more than \$26,500 per year to operate and maintain. However, funding from CMHC for the social housing inventory, which was transferred to the Corporation in 1996, is declining and will terminate completely in 2037." Have you raised this issue in person with the new federal Minister responsible for the Canada Mortgage and Housing Corporation and, if so, what was the minister's response? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I would like to thank my colleague. Mr. Chairman, the CMHC has been providing funding and it has been declining. It will terminate completely, as we are all aware, in 2037. The lack of housing in Nunavut is so huge. We have been working with the other territorial governments such as the Northwest Territories Housing Corporation and the Yukon Housing Corporation. We have been working together as northern territories.

We had an FPT meeting last fall as ministers responsible for housing. We met and worked together with the federal minister of housing and CMHC, but I can tell the member that we are working together as the three territories and the other provinces understand where we're at. I know that the funding will decline and eventually terminate, although we will definitely need additional funding for public housing and the government will have to provide that funding for Nunavut. Thank you very much, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. T. Sammurtok.

Mr. Tom Sammurtok (interpretation): Thank you, Mr. Chairman. (interpretation ends) The Nunavut Housing Corporation's proposed 2017-2020 business plan indicates that, and again I quote, "NTI and RIAs participated in the development of the *Blueprint for Action on Housing*, and are identified as supporting partners in several actions within the Blueprint. NTI and NHC senior management met several times throughout the development of the Blueprint for Action.

The NHC is engaging with NTI and RIAs to inform the development of the federal government's National Housing Strategy, to be completed in fall 2017."

What specific resources is NTI contributing with respect to housing-related issues? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. As I stated earlier, working on the blueprint for action will be a continuous process. The RIAs and NTI participated in the development of the blueprint for action and we will continue to work with them.

Mr. Chairman, in regard to NTI contributing to housing-related issues, if I understood the member's question correctly, personally I cannot respond to exactly what kind of contributions they made to the (interpretation ends) blueprint for action.

(interpretation) Perhaps it would be better if my Deputy Minister, Terry Audla, responded to the question because this is a daily operation, if it's okay with you, Mr. Chairman. Thank you.

Chairman (interpretation): Thank you very much. For clarity, Mr. Audla.

Mr. Audla (interpretation): Thank you, Mr. Chairman. (interpretation ends) In response to the question on our collaboration with Nunavut Tunngavik Incorporated and the regional Inuit associations on the aspect of our lobby

efforts with respect to trying to finalize a Nunavut housing strategy, the CHMC has approached the Inuit organizations on a separate occasion, but what we have done is to ensure that the same messaging is being conveyed back to the CMHC. In that sense we have been working collaboratively in that way, as well as the recent Senate report that was released yesterday where there were joint submissions with respect to the Senate committee at that point.

We have all the same understanding with respect to what's needed here in Nunavut. We're going to continue with that collaboration with NTI on the development of the National Housing Strategy. We do have that commitment and we are going to be working continually and closely with Nunavut Tunngavik and the regional Inuit associations to that end. Thank you, Mr. Chairman.

Chairman: Thank you. (interpretation) We are dealing with the Nunavut Housing Corporation. Following my list of names, Mr. Enook.

Mr. Enook (interpretation): Thank you, Mr. Chairman. Welcome, Minister Kuksuk. Before I go to my line of questioning, I wish to welcome you as I know that projects that are properly prepared sometimes don't move ahead.

I know for a fact that this upcoming summer various communities will have building construction projects and this is pleasing to hear about. I just wish to remind the minister that either through the difficulties of obtaining lots or whatever problems the corporation faces in any of our communities where construction projects are to go ahead, if

any problems arise and if you had to choose a new community, Pond Inlet will welcome you with open arms. The area with vacant lots where buildings are being constructed already has an access road and the utility infrastructure is completed. I just wanted to remind my friend, the minister.

Let me ask this question. I have referenced in the past the agreement between LHOs and the housing corporation. The response in the past indicated a new agreement was in the works and that it will clearly lay out the responsibilities and roles of each organization. Are you able to inform us of some of the newer parts of the agreement under consideration and which areas in particular will change? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Minister responsible for the Housing Corporation, Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I also thank my colleague. Further, the comments before he asked his question were a reminder to me. I thank him for that reminder. When I get reminders, I appreciate it.

Mr. Chairman, with regard to his question, the actual barriers, if I understood his question correctly related to local housing organizations and an agreement with the housing corporation as an example, if I state it in English, it would be a (interpretation ends) management agreement. (interpretation) Is the member talking about these agreements? Okay, I understood that.

With respect to the actual details and which areas will be amended, I personally don't have that level of detail. This process hasn't resulted in a document for my review as yet, but work has begun. My deputy minister would have information as to where the process is at and the details related to the member's question, if you will allow. Thank you very much, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Audla.

Mr. Audla (interpretation): Thank you, Mr. Chairman. I also thank the member for that question. The management agreements we are negotiating with the local housing organizations are currently being reviewed. This is the first series of adjustments and amendments we just recently reviewed. We have clearly identified the LHOs that will be part of this new management agreement that will form part of the review working group. It is clear that the Pond Inlet housing manager is involved in this working group.

We will be travelling to the communities to explain the new management agreement and to see what their thoughts are on the terms of the agreement. We just want to explain the management agreement and we want to make them clearer to understand and more to the point as to where their authorities are, how they would operate housing, and what the board would be able to decide on. How the financial contributions that they get every year would be managed is a continuing process. I'm proud to say that our staff are always working with the local housing authorities to see how things can be improved.

I know perhaps by this fall we should have the agreements done and they won't all be agreed to at the same time with the 25 communities. It's a progressive thing. For example, in Pond Inlet they have a new management agreement and if they approve it, they can sign it. If it was running fine, then they can just sign the agreement and keep going. Other communities will be visited to be consulted about the new management agreement. That is how we will proceed. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Enook.

Mr. Enook (interpretation): Thank you, Mr. Chairman. I believe I understand that each community has their own agreement, (interpretation ends) a master agreement. (interpretation) That's what you have stated in your documents, but the implementation of the agreement won't be happening all at the same time.

The deputy minister just stated that maybe they will be implemented this early winter. Do I understand correctly that there will be no agreement implemented during the life of this government and it will only come out after the new government is in place? Did I understand that correctly? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I want to give you a clear answer. The agreements that we have right now between LHOs or authorities and the housing corporation, as to what the agreements are or how the agreements

are, there was a question about the details as to what main changes there will be that come out of the review and when we will be able to show you the changes.

We won't be able to bring out the agreements for all the communities right away, as I believe my colleague understands. We will have to work on them one at a time. There are 25 communities in Nunavut. That means, as my deputy minister stated, we can expect it to be completed after 2017 and in that year we will be able to explain the main changes. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Enook.

Mr. Enook (interpretation): Thank you, Mr. Chairman. I also thank the minister. The communities follow the agreements and they have to follow certain things. They have to follow the *Societies Act* and they also have to present financial statements. Can you tell us today if any of the housing boards in Nunavut are not keeping up? I hope I was understandable. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I sort of understand the question, but if I didn't understand it properly, I may not respond properly as to what we haven't kept up with. I would like my colleague to explain the question further if it's okay with you, Mr. Chairman. Thank you.

Chairman (interpretation): Thank you very much. Please rephrase your question, Mr. Enook.

Mr. Enook (interpretation): Thank you, Mr. Chairman. What I'm trying to say is local housing boards in the communities, according to the agreement, are supposed to bring out different reports like financial statements or what they're supposed to initiate every year. Do you have any communities that haven't been able to do that? (interpretation ends) Are there any local housing associations not in good standing with the *Societies Act* or other annual statements that they need to be producing?

(interpretation) I hope that the minister now understands my question. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much. Yes, I understand the question now. Mr. Chairman, to date, looking at our local housing associations, have they completed all their reporting requirements? Yes, they have been keeping up. Thank you.

Chairman (interpretation): Thank you very much. Colleagues, (interpretation ends) we will now take a break for lunch and report back at 1:30 p.m.

>>Committee recessed at 11:43 and resumed at 13:27

Chairman: I would like to call the committee meeting back to order. In Committee of the Whole, the Nunavut Housing Corporation. Next name on my list, Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. Good afternoon, everyone and welcome back.

The Nunavut Housing Corporation's 2015-16 annual report that was tabled in the Legislative Assembly on November 8, last November, indicated that the Nunavut Housing Corporation is exploring the feasibility of effecting payroll deductions for GN staff in public housing.

The Nunavut Housing Corporation is finalizing, I understand, "a memorandum of understanding with the department of Family Services to allow Income Assistance clients' rent payments to be paid directly to LHOs. This will cover the majority of our clients as at least 75% of our public housing tenants are on social assistance."

As of today what is the status of these two initiatives? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I also thank the member. Mr. Chairman, with respect to her question about the two initiatives, they are still being worked on and the department that she referred to, (interpretation ends) Family Services, (interpretation) is involved in the work that we're doing on it. The work hasn't been completed yet and handed to me, so I don't have anything to report on that at this moment. It is still being worked on. (interpretation ends) Thank you.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I'm going to go to a different topic. The Nunavut Housing Corporation's *Long-term Comprehensive Housing and Homelessness Strategy* states that "Staff housing should provide new employees who move into market communities with a home until they become settled." Then, "These employees should be encouraged to move into the private sector or discouraged from remaining in staff housing".

What specific options are currently being considered to encourage employees to move out of staff housing? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. That means that our staff who live in staff housing... . If I understood the question, she asked what we have done to encourage our staff while they're living in staff housing.

Our staff have more than one option that they can choose to go through. They can purchase their own house. We want them to end up having their private home and get out of staff housing. That is what we are really encouraging our staff to do because they are more able to afford private homes than people who don't have jobs.

We want our staff who live in staff houses to buy their own houses and improve themselves. We would prefer

the staff who are staying in public housing, especially because of our lack of public housing, to purchase their own home so that more public housing can be made available for regular people.

That is how we encourage our staff to buy their own houses or if they're staying in public housing, we would like them to get out of public housing so that more needy people can use public housing. That's how we have set it up. Thank you very much, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. Can the minister tell us how many employees that were in staff housing have moved out of staff housing to go into their own homes? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. We don't have the information as to exactly how many there are. We can look into this to see if we can get the figures, but right now I don't have the information as to how many staff there are. Thank you very much, Mr. Chairman.

Chairman: Thank you. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. Is the minister saying that they don't track that at all or they just don't have the information today? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk: That is correct. We don't have the information. As well we don't have a tracking system on that currently. Thank you, Mr. Chairman.

Chairman: Ms. Angnakak.

Ms. Angnakak: Thank you. I would encourage them to look into doing that, then you kind of know where you are with things, otherwise the dependency will always be there.

Speaking about that, the Nunavut Housing Corporation's proposed 2017-2020 business plan also indicates that it "will hold an initial planning meeting with the Department of Finance to analyze current staff housing subsidy to determine subsidy levels that encourage transition out of staff housing" and that it will also "hold an initial planning meeting with the Department of Finance to establish a framework to guide a review of the current prioritization system and process for allocating staff housing units, and reallocating vacant units." When do you think all of these meetings are going to happen? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I would like my deputy minister to explain where we're at now with our meetings with the Department of Finance. If it's okay with you, Mr. Chairman, I would like my deputy minister to provide the details. Thank you.

Chairman (interpretation): Thank you very much. Mr. Audla.

Mr. Audla (interpretation): Thank you, Mr. Chairman. (interpretation ends) Thank you for the question. To sort of capture everything that you asked with the responses from the minister as well, under the blueprint for action under the "Key Issue: Meeting the Housing Needs of GN Employees," actions 20, 21, 22, and 23 sort of identify and answer the question.

We are currently working towards conducting a survey of staff housing tenants to gauge interest for homeownership. Under Action 20 with the timeframe, we see it in the short term where in the year one activities starting April 1, where we hope to hold initial meetings between Finance and the housing corporation to "Begin development of a survey tool to support an employee's survey."

Following that, Action 21 where we're looking to review and revise the current GN *Staff Housing Policy*, followed by Action 22 where we will analyze the current staff housing subsidy to determine subsidy levels that encourage transition out of government-subsidized housing, and Action 23 where we review the current procedures for use of existing staff housing stock.

We have been in initial discussions with the Department of Finance. We're currently looking at the methodology of how we're going to conduct those surveys and also to look at in larger centres such as Iqaluit, Rankin Inlet, and Cambridge Bay, considering the private market, what is available currently, what are the possibilities of success with

respect to staff transitioning out of GN-subsidized housing.

As you well know, the limited options that we have in communities outside of those major centres is something that we're going to have to really look at closely as well because we do want to expand that continuum of available housing, be it for the private market, homeownership, condo program, co-op housing, all of that type of housing that could be options. We're hoping to do this in the immediate term within one year.

We're currently in negotiations right now with a consultant to scope out the actual type of survey that we want and to try to make that determination as to what the best approach may be.

(interpretation) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I appreciate your response. That's a good response.

When you talk about transition and that, it could become a little hard because when you're in government housing, you're subsidized and everybody likes to be subsidized. I know you said that you were going to do some research and that, but do you think that the government is prepared to reduce staff housing subsidies for high-income employees?

If you had, I'm just using as an example, if you had two DMs and they were married to each other in one house, is that something that you feel as a department is the right thing to continue

to do or do you think that there will be changes made there? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I would like my deputy minister to continue with the response to that line of questioning. Thank you.

Chairman (interpretation): Thank you very much. Mr. Audla.

Mr. Audla (interpretation): Thank you, Mr. Chairman. (interpretation ends) As it stands right now, as part of, let's say for example, Action 22, where we're looking to analyze the current staff housing subsidy to determine subsidy levels that encourage transition out of government-subsidized housing, in the context of whether there are individual positions or staff that make a certain amount salary-wise, whether that is a position that either needs a subsidy or is making enough money that they don't need it, that's something that we will have to determine in collaboration with the Department of Finance as to whether or not it would be something that we would look at. It's certainly something that is worthwhile discussing. From that point we will make the best determination as to how to best approach that. (interpretation) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I guess my other question then is; you made reference to having an

external review of the GN housing policies and I understand they're going to issue a request for proposals. When is the RFP scheduled to be issued? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. We expect to have the RFP out this fiscal year-end before March 31, 2017. Thank you.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. That's right around the corner.

I want to go to something else. I want to ask some questions on the local housing organizations. Your 2015-16 annual report indicated there is a total of a little over \$30 million in rent receivables and that your collection rate decreased from 89.6 percent. It was 89.6 percent in the 2013-14 fiscal year and in the 2015-16 fiscal year it decreased to 83.8 percent. Can the minister tell us what factors account for that decrease in the collection rate? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. With respect to rent receivables, we have to work closely with the local housing authorities. The local housing organizations know how high the rent receivables are and under which

category the arrears are the largest. Our local housing organizations have been consulted on ways and means to lower the rental arrears. In total the arrears are very high. As we have stated in the past, we would be able to construct many units if the entire rental arrear amount was paid off. Due to the size of this debt this is where we are. However, we have to look at options and we continue to try to assist the LHOs.

There are many reasons that result in the arrears and collections of rental arrears. Particular reasons for lowering the rental arrears are our focus. Mr. Chairman, I can't state a particular reason for this as we haven't identified it. However, we are continually brainstorming on ways to lower the arrears. We continue to work on this file, but there is no specific answer to the member's question for the various reasons that result in the inability of the tenants to pay off their rental arrears. We don't have a singular reason why we have arrived at this stage and we can't answer with a simple reason. Thank you very much, Mr. Chairman.

Chairman: Thank you. Ms. Angnakak.

Ms. Angnakak: Thank you. Just looking at the difference in percentages out of a lot of money there, I think it accounts for quite a lot of money and I find it kind of hard to believe if you guys don't really know what factors account for the decrease. Maybe back then you had better managers that would be able to collect better. Perhaps the president can give us his thoughts. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you, Mr. Chairman. The president can make a supplementary to the comments I made with regard to Ms. Angnakak's question if it's okay with you. Thank you very much, Mr. Chairman.

Chairman: Thank you. Mr. Audla.

Mr. Audla (interpretation): Thank you. (interpretation ends) Thank you for that question. It's not a matter of the effectiveness of the managers being that we only have one person in the collections and mortgages position. When you compare that to the NWT, they have six positions whereas we only have the one.

That individual has been quite diligent in trying to work with the local tenant relations officers to ensure that collection is happening and it varies from community to community. Some communities' collection rate is over 100 percent. In some communities, if I look at my numbers right, the lowest is 64 percent. Each year it changes depending on an individual tenant's capability or want of contributing to paying their rent.

If you notice in the committee chair's opening statements, there was a suggestion that we have been working towards trying to address that amount of arrears in working with Family Services, for example, looking at the income support clients. In looking at the numbers, we feel that 75 percent of the \$30 million or so in arrears stem from potential income support clients. Once we have worked with Family Services to see what we can do to address that so that rather than... .

As it stands right now, the policy is they're given a cheque for rent and then it's their prerogative to turn around and hand that physical cheque to the LHO. For whatever reason that doesn't happen. What we're hoping to do is rather than giving that cheque physically to the tenant, they actually cut that cheque to the Nunavut Housing Corporation. We're hoping that addresses a lot of the 75 percent maybe.

We're always looking to see what we can do better. We're hoping to get a communications person into the corporation to assist in working with the local tenant relations officers and LHOs so that every single tenant that is in public housing knows and understands that they do have that responsibility on a monthly basis and hopefully that will go a long way.

As it stands, we're doing as best as we can with the current one position that we have. The district managers and directors as well are working hard and being diligent in ensuring that all collection is happening as much on a regular basis as well. It's something that we're trying to get on top of. We feel confident that in our discussions with Family Services, a lot of it will be addressed, but it will be a matter of time before we actually know the effectiveness of that. (interpretation) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I thank the president for his response. It's informative.

The Nunavut Housing Corporation's proposed 2017-2020 business plan

indicates that one of its priorities for the 2017-18 fiscal year is to “develop and implement LHO deficit recovery plans.” As of today which LHOs are in deficit and what is the size of each LHO deficit? I don’t know if that was already asked or not. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. There are 4 out of 25 LHOs that are in deficit and they are Cambridge Bay, Hall Beach, Pangnirtung, and Rankin Inlet. Those are the local housing organizations that are in a deficit situation. Thank you very much, Mr. Chairman.

Chairman (interpretation): Thank you very much. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. Can the minister tell us what are the usual reasons for an LHO to get into a deficit position where the others are not? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I’ll have my deputy minister respond if it’s okay with you. Thank you.

Chairman: Thank you. Mr. Audla.

Mr. Audla (interpretation): Thank you, Mr. Chairman. (interpretation ends) Again, each community varies in the sense of why it is that they would get into a deficit situation. It could be damages to the unit, freezing of pipes, unexpected instances where we would have to do emergency repairs, or tenant

damages. Each community would be different for the reasons as to why they would end up in a deficit situation. I hope that sort of answers the question. Thank you, Mr. Chairman.

Chairman: Thank you. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. I guess I don’t understand how the LHO operates then. You’re talking about their own office like if something freezes up. What were you referring to? Were you referring to local public housing units in the community or the LHO’s own operations? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. The official to my left, Curtis, is able to respond to the question better and he would like to respond to the question, Mr. Chairman. Thank you.

Chairman: Thank you. Mr. Allaby.

Mr. Allaby: Thank you, Mr. Chairman. Thank you for the question. To answer that question, it’s really the maintenance of the public housing units itself that is the bulk of the expense of each local housing organization. It’s not so much the administration of their own offices that would lead to any deficit. It’s actually events that happen in each of the housing units they are responsible for maintaining. Further to the initial response I would just like to say that another big factor that contributes to LHO deficits is lower collection rates on rental assessments. Thank you, Mr. Chairman.

Chairman: Thank you. Ms. Angnakak.

Ms. Angnakak: Thank you, Mr. Chairman. Perhaps the department can tell us: what are the key elements of an LHO deficit recovery plan? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I would like Mr. Allaby to continue responding to this line of questioning. Thank you.

Chairman: Thank you. Mr. Allaby.

Mr. Allaby: Thank you, Mr. Chairman. Thank you for the question. When formulating a deficit recovery plan, the Nunavut Housing Corporation partners with local housing organizations. Normally it's through our community development officer of finance positions. We send Nunavut Housing Corporation staff into the community to work with the local housing organization to understand the drivers of their expenditures and what may be causing their deficit.

We take a detailed look at each of the individual line items on LHO financial statements and try to identify exactly what is driving those expenditures and try to figure out if there are areas for efficiency, and then work with developing a plan that can be sustainable. We don't necessarily expect an LHO with a significant deficit to come out of deficit within one year or two years even, but we look at developing a long-term plan that allows the LHO to continue to maintain the

units at a suitable level and still generate enough surpluses over the year to repay back the deficit. Thank you, Mr. Chairman.

Chairman: Thank you. Ms. Angnakak.

Ms. Angnakak: That's why I was waving. I want to ask him another question. You made reference to a bit of a timeline, but I'm wondering: from the four that were identified as being in the deficit position, how many of these have been in a deficit position for longer than two years? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. The ones that I mentioned earlier are the ones that have been in a deficit position for over two years. (interpretation ends) Thank you.

Chairman: Thank you. Next name on my list, Mr. Joanasié.

Mr. Joanasié (interpretation): Thank you, Mr. Chairman. Welcome, minister and your officials.

I'm going to start off with the Inuit Employment Plan on page NHC-19. In your business plan it outlines figures for September 30, 2016 and within your business plan it states the goal is to reach the target by March 31, 2018. These are categorized in these reports. If we read the particulars here, it speaks to upper management positions down to the administrative level.

One thing I have noted here is the (interpretation ends) middle management (interpretation) positions

where only 5 percent of the positions out of the 22 positions, which equals one position, are held by an Inuk. With that being the reality, I wonder if the housing corporation is focusing on this area where middle management positions can be filled by Inuit.

What has the NHC undertaken to fill more positions with Inuit beneficiaries? What has the NHC done to increase the numbers since 5 percent equates to one position as the lowest amount? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I also thank the member for that excellent question. I'm looking for information that is in front of me in regard to (interpretation ends) the Inuit Employment Plan. (interpretation) Although we have it, if the deputy minister can find it, he can respond to the question, Mr. Chairman, if you will allow.

Chairman (interpretation): Thank you very much. Mr. Audla.

Mr. Audla (interpretation): Thank you, Mr. Chairman. (interpretation ends) Thank you for that question. For the March 31 Inuit employment target positions, the housing corporation has filled 100 percent of their target positions. Three additional NHC positions outside of the Inuit employment targets were also filled with Inuit and the housing corporation has reached an overall milestone of 38 percent as of September.

In the priorities, we are committed to supporting Inuit staff through performance management, on-the-job training, and by encouraging continuous learning. Our Inuit Employment Plan Committee continues to support the corporation's initiative to identify areas for employee succession, including surveying existing staff to determine interest in advancement and finding ways to adapt existing programs to suit the needs of the employees.

Also within the *Blueprint for Action on Housing* we have identified local workforce development as a key issue facing Nunavut. The document sets out several actions that would not only develop the local workforce, but would work to eventually increase Inuit employment rates within the housing corporation.

As an example, in our Arviat district office, this is something that we don't like to do, but if the local housing authority in Arviat, that has 100 percent Inuit employment and 33 staff, is willing to come over to our district office to work to gain more experience within the district aspect within the housing corporation, we do a casual type of employment and try to encourage those individuals to advance within the corporation as well.

It's difficult for us in a sense of trying to increase the numbers within the corporation, but trying to maintain the local housing authority numbers as well. This is something that we're constantly working towards to try to improve and it's something that we're always striving for. That's the best answer I can give for now, Mr. Chairman. Thank you.

Chairman: Thank you. Mr. Joanasie.

Mr. Joanasie (interpretation): Thank you, Mr. Chairman. Looking at the numbers here, the 5 percent is the lowest in the middle management positions. Since it's only 5 percent and it's the lowest figure, it seems like that would be your priority as you move forward. I'll just leave that as a comment.

(interpretation ends) I noted also the total department positions are going down. As a matter of fact it says 122 positions in total and for next year, March 31, 2018, it's going to be 116. That's taking into account four positions in the paraprofessional category as well as two in the professional category. What positions is the NHC removing from their organizational chart? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Mr. Chairman, we would like the member to provide further clarity on his question and what page he is looking at. Thank you, Mr. Chairman.

Chairman: Thank you. Maybe if you can clarify the page you are referencing, Mr. Joanasie. Mr. Joanasie.

Mr. Joanasie: Thank you, Mr. Chairman. I'm on NHC page 19 Appendix II, Inuit Employment Targets. It's a chart that shows the department's target for next year on Inuit employment and as a total at the NHC, they have 122. Actually I'm going to reference this, Towards a Representative Public Service as of December 31, 2016. The most recent numbers I have for the NHC is

123 positions total, but in the business plan for March 31, 2018 under NHC-19, the page I referenced says there's going to be a total of 116 positions. That's six positions that will be taken out from the department. I note that it's under the professional position category and the paraprofessional position category. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. These are under the construction division and they are construction manager positions that will be taken out. Thank you.

Chairman (interpretation): Thank you very much. Mr. Joanasie.

Mr. Joanasie (interpretation): Thank you, Mr. Chairman. Why are those positions being taken out? I know that there will be units constructed in Nunavut's communities. Why are they going to reduce the numbers by that much? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I would like my deputy minister to provide a detailed response if it's okay with you. Thank you.

Chairman: Thank you. Mr. Audla.

Mr. Audla (interpretation): Thank you, Mr. Chairman. (interpretation ends) Thank you for that question. The six positions in question were originally funded by the CMHC and those funds

are no longer going to be contributed to the Nunavut Housing Corporation. They happen to be in the construction division; the design, architectural and jobs of that technical nature. The reasoning is that the funding from the CMHC has ended for those positions. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Joanasié.

Mr. Joanasié (interpretation): Thank you, Mr. Chairman. Are those positions filled or are they vacant? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): I don't have that information in front of me right now, so Mr. Audla will be able to respond to the question. Thank you.

Chairman: Thank you. Mr. Audla.

Mr. Audla (interpretation): Thank you, Mr. Chairman. (interpretation ends) We're hoping to renew the positions that are currently filled. It's going to be a matter of how we allocate certain parts of our budget to do that. We are hoping that we can renew them at this point. (interpretation) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Joanasié.

Mr. Joanasié: Thank you, Mr. Chairman. Are these six positions filled or not filled? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk: Thank you, Mr. Chairman. (interpretation) I would like my deputy minister to continue responding to his question. (interpretation ends) Thank you.

Chairman: Thank you. Mr. Audla.

Mr. Audla: Thank you, Mr. Chairman. Of the six, five are filled and as I stated earlier, we're hoping to renew those positions as well as reprofile the sixth position, being that we had some difficulty to try to fill the sixth position because of its technical nature. Electrical, I believe, was the position that was in question. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Joanasié.

Mr. Joanasié (interpretation): Thank you, Mr. Chairman. I am also aware that there are four district offices in Nunavut. I wonder which office positions are vacant in the communities. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Mr. Chairman, if I understood the gist of the member's question, he asked which of the positions will be removed. Is that the question? Okay. All of these positions are located in Iqaluit that we are discussing here. Thank you.

Chairman: Thank you. Mr. Joanasié.

Mr. Joanasié (interpretation): Thank you. Moving to another area, (interpretation ends) it was mentioned about going back to your discussion on rent arrears or collection and it was

talked mainly about public housing. How about with staff housing? How is this set up? We know the government has an X amount of staff and an X amount of housing units that you have.

Are all rents that GN staff sit in collected automatically off their pay or is it like the GN, you cut a cheque to your employee and then that employee has to pay housing? You used the example of income support recipients. They have to pay a portion of their income to public housing or to their local LHO. How does that work for staff housing? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. Our staff housing tenants' rents are automatically deducted from their paycheques. The rent is taken off their pay. (interpretation ends) Thank you.

Chairman (interpretation): Thank you very much. Mr. Joanasié.

Mr. Joanasié (interpretation): Thank you. I understand. Another issue that was referred to earlier relates to subsidies that government employees receive for staff housing. I wonder what amount this subsidy is for public servants renting staff housing units. Will your department conduct a further review in this area? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. With respect to the member's question about the amount, we don't have that

level of detail at this time. Nonetheless, it is one of the areas managed by the (interpretation ends) blueprint for action (interpretation) and government staff housing units rented by our public servants, including other matters. This subsidy will be dealt with under the (interpretation ends) blueprint for action. (interpretation) Once the plan is ready for approval, we will be able to review it. Thank you.

Chairman (interpretation): Thank you very much. Mr. Joanasié.

Mr. Joanasié (interpretation): Thank you, Mr. Chairman. We will look forward to its implementation.

(interpretation ends) Mr. Chairman, going back to the NHC's business plan, I'm going on page 8 and this is in relation to blueprint for action items. The full page has a list of things that the NHC will do, but one of them on page NHC-8, the fourth bullet talks about conducting a "jurisdictional scan of various subsidized housing models in other provinces and territories to review best practices." What does the NHC plan on or what do you think you will get out of this jurisdictional scan? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. My deputy minister will respond as to what we will be doing with the jurisdictional scan, Mr. Chairman, if it's okay with you.

Chairman: Thank you. Mr. Audla.

Mr. Audla: Thank you, Mr. Chairman. As part of Action 22, analyzing the current staff housing subsidy to determine subsidy levels, as part of that exercise we hope to look at other jurisdictions that would show to what level they subsidize staff housing, if any. We will look at the NWT system, the system in the Yukon, and any other jurisdictions that offer that as well in other parts of Canada, and to see what best practices are out there and if those best practices can be applied to Nunavut in some way.

Within the context of the overall review of this type of subsidy for staff housing, all we want to do is collect anything within Canada that can assist us in sort of giving us that broader picture of what we can do better. Hopefully it will give us some more comprehensive analysis of what available options there may be to improve that. As part of that, we're looking at it in conjunction with the Department of Finance. We hope to do that within the year through 2017-18 and have something concrete that is well thought out and to do it in such a way that is very reflective of the realities here in Nunavut. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Joanasie.

Mr. Joanasie: Thank you, Mr. Chairman. I thank Mr. President for his response there. I look forward to more information as it becomes available on that item.

Another thing that I noted on the same page, NHC-8, a little further down, almost in the middle, it talks about the NHC with Community and Government Services "will engage with RIAs on potential public-private partnership (P3)

opportunities for housing construction, or block land development on municipal Inuit owned lands." Can the minister clarify if they are planning on doing this in all Nunavut communities or are there specific communities they have in mind? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. I believe this question was already asked, but if the minister wants to respond. Minister Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. My deputy minister and I will respond to the question. With respect to part of his question, there are Inuit-owned lands in some communities. It is a reason in some communities that no land is available for housing construction. As for the landowners, for instance, we mentioned the regional Inuit associations. We have been working with them on land that we don't own or using our own land. That is in the plan.

I will refer part of his question to Mr. Audla, if it's okay with you. Thank you.

Chairman: Thank you. Mr. Audla.

Mr. Audla: Thank you, Mr. Chairman. That specific action was brought out through our collaboration in the initial engagement process in developing the blueprint for action with the regional Inuit associations where they would happen to own title to lands within a municipality.

We know that not all communities have Inuit-owned lands within municipalities. I can use Pangnirtung as an example, where they have, I believe, four lots of land that Inuit have title to. It's a way of

collaborating with them as to whether or not they have plans for those specific lots that they happen to have title to, to see whether or not they would be interested in developing those plots of land for the purposes of housing, be it for public and/or Inuit-owned housing or Inuit-specific housing.

Here in Iqaluit there is one plot in Apex. There is the large plot along the federal road, beachfront property, and there is one close to the Coast Guard complex. In those instances we would like to sit down with them and they were agreeable in having that type of discussion as to how they would want to approach those specific land plots.

As for the other regions, in the Kivalliq, I believe there are not examples of Inuit-owned lands within municipalities. I know there is a handful here in the Baffin. As it stands, the regions have identified that they are willing to sit down with us to have that discussion and it's built into the blueprint for action. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Joanasié.

Mr. Joanasié (interpretation): Thank you, Mr. Chairman. Although the question was raised earlier, I appreciate you allowing me to ask the question as I didn't notice the question had already been asked. His response was quite clear and I am thankful for that too.

I'll move on to another subject listed in the annual report on page 29. It has previously been mentioned that for public housing owned by the housing corporation, the operations and maintenance for each unit costs

approximately \$26,500 per year. On the same page it categorizes the figures properly, at least from what I see.

As an example, (interpretation ends) the average cost per unit in water and sewer is always the highest. It says \$8,400, so almost one-third of the \$26,500 goes towards water and sewer. If we average it out, \$8,400 in a year is about \$700 each month, but every house needs water. We know that.

What I'm trying to get at is: in conjunction with Community and Government Services, have you tried to look at what efficiencies you can try to get in lowering this cost to have water in all our public housing units? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. This does require brainstorming to lower that, but we aren't the ones responsible for these costs. We work in collaboration with the Department of Community and Government Services, as well as on the side, working with organizations such as the (interpretation ends) Nunavut Association of Municipalities, or NAM, (interpretation) and other groups on the construction of the units.

The expenses related to maintenance, like the example of the \$26,500 per unit that was mentioned, water (interpretation ends) or sewage (interpretation) rates are not set by us. We have to work in conjunction with other groups. We can't arbitrarily set it as the entities I mentioned earlier are involved in setting those rates, as per the member's question. We are continually working

with departments like CGS as well as NAM specifically. Thank you, Mr. Chairman.

Chairman: Thank you. Next name on my list, Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. Good afternoon. Earlier my colleague, Ms. Angnakak, was touching up on staff housing and one of your responses was that it was a staff survey or staff unit. You're encouraging the staff to purchase their own homes. Are you encouraging your staff, if they're living in a public housing unit, to buy that unit or encouraging your staff to buy a government unit that they are living in? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I also thank the member for that question. In the housing corporation one of our programs can be used for that. If government staff live in public housing, we have the Tenant to Owner Program (interpretation) where the tenant can eventually buy the unit. There is a subsidy that goes along with that. That's what we talked about, to not be just a renter anymore but to actually work to buy that unit. Thank you.

Chairman (interpretation): Thank you very much. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. For the Tenant to Owner, in the smaller communities with local housing associations, would they allow that to happen? We don't have much housing in the communities and they all want it. If the government staff wants to buy it

under the Tenant to Owner, would that happen? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. If a tenant is interested in buying the unit that they are leasing, then we have a program that can help with that. It will be just like normal practice in the communities.

For example, in Gjoa Haven, if anyone who works for the government rents from the local housing association and that person is interested in purchasing that unit from the housing association, then that staff person should talk with the housing association to make sure there are no problems for the prospective buyer and the housing association. They can work on the transition by getting information from the housing association.

The Tenant to Owner Program is quite open to anybody who wishes to buy their housing unit, no matter where you live. Thank you very much, Mr. Chairman.

Chairman: Thank you. I believe he was referring to staff housing. Mr. Akoak.

Mr. Akoak: Thank you. Also with staff housing, if staff is living in a staff housing unit, or I believe the government leases apartments, and the staff lives on those apartments, would the staff be able to buy either one of the two units, either leased or government-owned staff housing? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. In some respects that would not be the case. To explain this properly, I would like my deputy minister to explain the proper process that will have to be followed. If it's okay, I would like Mr. Audla to respond to this. Thank you.

Chairman: Thank you. Mr. Audla.

Mr. Audla (interpretation): Thank you, Mr. Chairman. (interpretation ends) As I understand it, there were two parts to the question where those in public housing units would have the option to purchase the house they're currently residing in and the other part was those that are residing in private or GN-owned staff housing, whether they would have that option as well.

The minister did respond that the public housing units, we do offer the Tenant to Owner Program, which would be decided upon in consultation with the NHC district, be it in Cambridge Bay for the Kitikmeot or Arviat for the Kivalliq or Cape Dorset for the Baffin as it relates to public housing.

For GN-leased units and/or GN-owned for the purposes of staff, they are not available in that way. We do try to encourage private ownership for those that are willing to try out ownership within their community. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. The Nunavut Housing Corporation's proposed 2017-2020 business plan indicates that it will "be making specific efforts to reach out to LHOs, including

in the delivery of new public housing construction."

In the 2017-18 fiscal year, what other specific initiatives are planned? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. We have announced what we are going to be doing in terms of public housing and as to which communities the new construction will go to.

Mr. Chairman, in terms of housing, as the housing corporation, we work with local housing associations in terms of which lots housing will be built on and we work with those in most need of housing to see which communities will get housing units this fiscal year.

If I didn't respond to the question properly, if the question had to do with being outside of housing and housing construction, I can't think of anything right now other than granting housing and construction of houses. I don't know what other external factors he is asking about and (interpretation ends) specific initiatives. (interpretation) Maybe my colleague can better explain his question so that I can respond to it better. Thank you.

Chairman: Thank you. Maybe, Mr. Akoak, if you can specify which document or what specific initiative you are referring to. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. I will just leave that for the sitting of the House. I'll go on to something else.

In your *Blueprint for Action on Housing*, Action 41 on page 38, “Strategic Challenge: The High Cost of Housing,” the first paragraph reads, “The cost of housing construction in Nunavut is very high. On average, construction costs in Nunavut are nearly three times higher than in Southern Ontario. Furthermore, the operation and maintenance costs for social housing are significant and increasing year over year.”

Reading that, you have in “Goal 3: Reduce the Cost of Housing.

Reducing the cost of housing in Nunavut as a whole can be achieved through more efficient utility use and cost reduction and efficiency initiatives, construction techniques...” Now, we all know everything that comes up north and especially anything that goes to the Kitikmeot is very expensive by the time it gets to the communities, as mentioned by the minister before you. Even the fuel is the highest cost in Nunavut.

Can you explain to me how you’re going to reduce the cost of housing when you’re referring to construction techniques? How are you going to reduce the cost? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. This specific question raised can mean many things. As an example, when a unit is roughed in and enclosed, the costs don’t just include the construction costs. We can itemize various expenses after the unit has been constructed, such as the operation costs, the fuel expenses, as

well as which direction the unit is facing. These are some of the issues we have taken into consideration.

Perhaps to look at the definition, if it had a different definition, it would have been much easier to comprehend. Currently the definition applies to electricity, energy-efficient lighting, such as LED lighting. If each unit was modernized, then it would result in savings across the board related to energy costs as well as which direction the unit is facing.

For example, the lot where the unit is, including the general direction of the unit, such as the southerly direction where the sun could shine in, if we had more windows facing the sun, it would possibly alleviate the energy costs due to more light from the sun where they don’t need artificial lighting. These are the types of different issues we are discussing here related to energy efficiency and how we can meet that goal, as well as the electrical wattage. We can purchase more energy-efficient lights to lower our costs.

To summarize, these are the main issues that are included in the (interpretation ends) *Blueprint for Action on Housing* (interpretation) as most of the energy-saving initiatives are written in that report. Members should review this document so that they are aware of the different initiatives that the member is asking about. Thank you, Mr. Chairman.

Chairman (Mr. Enook)(interpretation): Thank you, minister. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman. Can you explain to me what multi-family needs-based housing is? Is that an overcrowded unit? “Multi-family,” is it

three families living in one house?
Thank you, Mr. Chairman.

Chairman (interpretation): Thank you.
Minister Kuksuk.

Hon. George Kuksuk (interpretation):
Thank you very much, Mr. Chairman.
Yes, that's what it means. Thank you.

Chairman (interpretation): Thank you.
Mr. Akoak.

Mr. Akoak: Thank you. I think I just have one more question. I have a question on the rental payments. "The NHC is finalizing a memorandum of understanding with the department of Family Services to allow Income Assistance clients' rent payments to be paid directly to LHOs." Saying that, how much of that now is going directly to LHOs? You don't have to give me an exact amount, just a percentage. How much of that did go to the LHOs? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you.
Minister Kuksuk.

Hon. George Kuksuk (interpretation):
Thank you very much, Mr. Chairman.
Usually when there's a cheque cut from the Department of Family Services, (interpretation ends) 100 percent of that amount is issued and made payable to the local association. Thank you.

Chairman (interpretation): Thank you.
(interpretation ends) That's up to you.
Mr. Akoak.

Mr. Akoak: It might be on a different page a little bit, but I think right now the clients are getting a cheque that they want paid to the LHOs, but it is under

their names; it's not under the LHO, I believe. If you can correct me on that.
Thank you, Mr. Chairman.

Chairman (interpretation): Thank you.
Minister Kuksuk.

Hon. George Kuksuk (interpretation):
Thank you very much. As I indicated earlier, those are public housing units, (interpretation ends) so it is made payable to the LHOs. Thank you.

Chairman (interpretation): Thank you,
minister. Mr. Akoak.

Mr. Akoak: Thank you, Mr. Chairman.
Just one more question. Why would the rental arrears be so high then if that is the case? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you.
Minister Kuksuk.

Hon. George Kuksuk (interpretation):
Thank you very much, Mr. Chairman.
We talked about this a little bit earlier on some of the factors that account for the large amount of rent receivables. As we indicated earlier, the income assistance recipients have to give the housing rent money to the local housing organization. There are quite a lot of factors that a person might not pay for their rent. Usually an individual might keep that rent money instead of giving it to the local housing organization. Those are some of the reasons and there are other reasons that account for those rental arrears.

My deputy minister responded to this same question earlier on. If it's okay with the Chair, I would to refer this again back to the president. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you. Mr. Audla.

Mr. Audla: Thank you, Mr. Chairman. We are currently in discussions with Family Services as to why that would be the case. There is anecdotal information where the income support client is actually given the cheque in the name of the local housing authority, but for whatever reason has not been able to transfer it over physically to the LHO. We're currently trying to understand the reasons why behind that. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you. Moving on, Mr. Shooyook.

Mr. Shooyook (interpretation): Thank you, Mr. Chairman. Please stop me if I'm asking the same question that was asked earlier on. The Nunavut Housing Corporation's 2017-2020 business plan indicates that "NTI and RIAs participated in the development of the Blueprint for Action on Housing." Can you elaborate on what that means? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you. This was already asked, but you want to get clarification and we need clarification as well. Minister Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I also thank him for that question. Mr. Chairman, what it means is when we were developing the *Blueprint for Action on Housing*, we participated with Nunavut Tunngavik Incorporated and the regional Inuit associations like the Qikiqtani Inuit Association or the Kivalliq Inuit Association. Inuit Tapiriit Kanatami also participated in the

development of the action plan. We are going to keep working with them and we also identified who would be responsible for what action items. Very briefly, it means that as we have worked together with the Inuit associations, we will continue to do so. That is our working relationship with them. Thank you, Mr. Chairman.

Chairman (Mr. Mikkungwak) (interpretation): Thank you very much. Mr. Shooyook.

Mr. Shooyook (interpretation): Thank you for giving me another opportunity to ask a question. I will make a brief comment and it is a part of the question that I asked. "The NHC is engaging with NTI and RIAs to inform the development of the federal government's National Housing Strategy, to be completed in fall 2017." What specific resources is NTI contributing with respected to housing-related issues? Can you provide me with that information? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I can't respond as to whether or not NTI is going to be making a contribution, but it falls to our department to look for additional funds from the federal government or other sources like the CMHC. I can't respond for NTI because it is outside of our responsibilities. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Shooyook.

Mr. Shooyook (interpretation): Thank you, Mr. Chairman. I'm just reading the Inuktitut and I think it's wrong once again.

To put it briefly, in regard to the huge deficit, we get a cheque and then we're required to pay for our rent by giving that cheque to the housing association. If I was employed and I worked for municipal services, are you going to start deducting from their payroll so that they can pay off their rental arrears to the housing organization? Are you planning on making payroll deductions as a payment plan? Can you clarify that for me? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I also thank the member for that good question. If an individual works for municipal services or the hamlet or wherever they may be employed and they're renting a unit, it would be up to that individual to have their rent deducted from their payroll and applied to their rent. The housing organization and the individual can come up with an agreement to have their payroll deducted and applied toward their rental arrears. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Following my list of names, Mr. Okalik.

Mr. Okalik (interpretation): Thank you, Mr. Chairman. I know some of these questions were asked already by my colleagues, but I would like to add to them based on the responses, especially

regarding the blueprint for action.

I have questions on Action 22 with regard to the analysis of the staff housing subsidy and that will be done for a whole year. It doesn't state what they will be doing once the analysis has been completed.

We put that \$400 figure maybe 10 plus years ago. Since that time the prices of gas, operations and maintenance of a house have gone up drastically and that figure hasn't changed. When are you going to complete this plan? We have to provide more support to homeowners. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. To answer the question briefly, we are looking at completing it in two years time. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Okalik.

Mr. Okalik (interpretation): Thank you, Mr. Chairman. I also noticed, but it doesn't state here. We have been saying for quite a long time that we should be increasing the number of homeowners. It would be of great benefit if those who are under-housed could get assistance to own their homes and that would free up the rental units.

I know that you're going to say they tried that before. Today there is a wide range of jobs available, even in smaller communities. Hamlet staff are now retiring who would benefit from owning their own homes. Observing that, I would like to see another review. Inuit

are able to work and build their own homes, which we have seen with our own eyes. When can this take place? Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I also thank the member for that question. The member's question about homeownership programs will be included in the review of incentives to encourage homeownership and subsidies. I can give a brief response. We will be reviewing the HAP program and the plan for housing tenants to become homeowners will be included. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Okalik.

Mr. Okalik (interpretation): Thank you, Mr. Chairman. It's very nice to hear that it will be reviewed, but it seems like we're reviewing everything continually. When are we going to start seeing concrete plans? I don't want to just plan. I want to help all the residents of Nunavut who want to own their own homes. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I responded earlier to the member that they will be reviewing this in the plans, so I cannot tell you at this point. I agree with the member that we don't need to be in a constant state of planning.

Mr. Chairman, if it's okay with you, I would like my deputy minister to

supplement my response. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Audla.

Mr. Audla (interpretation): Thank you, Mr. Chairman. I also thank the member for his question. (interpretation ends) When we're looking at the key issue of meeting the housing needs of GN employees as well as what was identified in the blueprint for action, as part of the main context within the blueprint for action on trying to fill the gaps within the housing continuum, primarily which is the lack of homeownership within Nunavut, we would like to increase that availability of being able to contribute to Nunavut residents if they wish to become homeowners. We would like to be able to be the government agency to be able to assist in that way.

We don't necessarily call the action plans that are set out strategic plans or overall reviews. We're actually calling them "action plans," concrete action where we actually give them a limited time frame as to how we're going to work towards addressing that. When you look at the specific actions that are identified, all 60 of which work towards closing those gaps within the housing continuum, we have identified specific actions that have the short term, which is one to three years; the mid term, which is three to five years; and the long term, which is five to ten years.

When you go through each of these actions and when you look at what we're going to actually do within that short term period of one to three years, we have identified actual steps and who is responsible with respect to which department is going to be the lead, which

department is going to be collaborated with and supported, and what the planned activities are with respect to each year; so year 1, year 2, year 3.

The one thing that we want to do is somehow address, within that housing continuum, not only the staff housing for GN employees but Nunavut residents' homeownership aspect and those that need care, elders facilities, mobility issues, mental health facilities, what have you, and we're hoping that within the action plan we actually identify specifically with respect to homeownership how we can do that. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Okalik.

Mr. Okalik (interpretation): I apologize, Mr. Chairman. I believe my question was forgotten.

When are we going to roll out a plan for a homeownership program? Action 16 says that you're going to review homeownership support programs and the review will be complete next year. When is the housing corporation going to respond to those people who are interested in becoming homeowners? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. As I responded earlier on, we expect that within two years. It wouldn't go beyond three years. Sometimes it can occur from one to three years with respect to his question. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Okalik.

Mr. Okalik (interpretation): Thank you, Mr. Chairman. They will be reviewing the staff housing program. I would like to ask how many of the senior level staff who earn more than \$200,000 have been provided with staff housing. Do you have that information? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. We will have to consult with the Department of Finance to get that information. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Okalik.

Mr. Okalik (interpretation): I would very much like to get that information. It might be helpful if their administrative staff get paid as they're not getting paid right now. I believe it would be helpful if subsidies were available to staff. I wonder when that review will be completed. It's just a comment and I'll leave it at that. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. That was just a comment. Following my list of names, Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Mr. Chairman. First of all, as I have never owned a private home, I have no idea what types of programs and services are provided to assist homeowners.

This item within your business plan states that funding can be applied for with an upper limit of \$50,000. Is this fund for all of Nunavut? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. Yes, it's for the entire territory of Nunavut. Thank you.

Chairman: Thank you. Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Mr. Chairman. Another figure on this page includes a reference for an additional funding limit of \$15,000. Is this fund specifically for installing energy-efficient equipment? Is this on top of the \$50,000 or is it offered through a different program? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. Yes, it's an additional \$15,000 on top of the \$50,000 that can be used for (interpretation ends) energy efficiency related items. (interpretation) This is what is listed, primarily fuel efficiency or energy efficiency programs. This \$15,000 can be used in addition for this initiative. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Mr. Chairman. Another item towards the bottom of the page

references the Senior Citizens' Home Repair Program. Is this specific to renovations for seniors' homes which would be \$15,000 or is this a separate program? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. This program called the Senior Citizens' Home Repair Program is for repairs to their private homes. The maximum amount is \$15,000 and it would be specific towards that. In addition to these funds, (interpretation ends) freight costs (interpretation) are another line item. Thank you very much, Mr. Chairman.

Chairman (interpretation): Thank you. Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Mr. Chairman. Also at the bottom, the Emergency Repair Program, \$15,000 is also available for a maximum contribution. Is this another separate line item than the ones that we just spoke about? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. Yes, this is for the Emergency Repair Program for the homeowners. This funding can be utilized for the emergency repairs. Thank you, Mr. Chairman.

Chairman: Thank you. Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Mr. Chairman. The way I

understand it is that this \$15,000 maximum contribution is available for one unit. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Yes, I understand that it would be for one house. It would be for one unit. Thank you very much, Mr. Chairman.

Chairman (interpretation): Thank you. Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Mr. Chairman. Some homeowners don't seem to understand the programs that are made available to them. Sometimes unilingual Inuktitut-speaking people own their own homes. Can you elaborate on what kinds of programs and services are available to unilingual homeowners? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. Yes, if there was a question from homeowners from either one of the communities in Nunavut, the headquarters is in Arviat and the staff are all Inuit in that office and they can speak Inuktitut. The office in Arviat is staffed by all Inuit beneficiaries and they take care of the homeownership programs in that office. Thank you very much, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Mr. Chairman. Some of them don't quite seem to be aware of these programs and you feel for them. Are they kept informed of where they can apply for assistance in case they need it? Are they kept fully informed of where they can apply for assistance? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. We have district offices in the Baffin, Kitikmeot, and Kivalliq and/or the local housing organizations. If the homeowner doesn't know where to get information, they can go through the district offices. Even the local housing organization can provide assistance if they are asked where they can call or where they should go. They can be provided that information. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you. Mr. Keyootak.

Mr. Keyootak (interpretation): Thank you, Mr. Chairman. I thank him for that information. Moving on to another area, the Nunavut Housing Corporation's 2014-15 annual report on contracting and procurement activities was tabled in the Legislative Assembly on March 16, 2016. The 2015-16 annual report has not yet been tabled in the Assembly. When will the 2015-16 annual report be tabled in the Legislative Assembly? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you, Mr. Chairman. I again thank the member for the question. Mr. Chairman, the report is presently being prepared and it is planned to be tabled in the House during this winter session. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Following my list of names, Mr. Enook, for the second round.

Mr. Enook (interpretation): Thank you, Mr. Chairman. Thank you for giving me another opportunity.

Mr. Chairman, I would like to go back to the rental arrears on the housing units we rent. It is terrible to hear that there is an excess of \$27 million in arrears to the housing corporation. If that were to be paid off, you could construct 60 new units. I would like to discuss with you what the options are to work on it, Minister Kuksuk.

Also, the document says that one unit costs around \$26,000 annually to maintain. As tenants, we don't seem to think this is important and I don't think we appreciate the fact that we are provided homes, perhaps because we are unaware of the costs. There are many tenants out there who are being provided with low-cost housing and a lot of tenants don't take care of their units. How do you keep your tenants informed of these things, including the need to take proper care of their homes, and that if they paid up their rental arrears, we would have more money to build houses? Who is responsible for that? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. This was already mentioned. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. The local housing organizations have tenant relations officers who are responsible for collecting rental arrears in the communities. I agree with you. This is an ongoing discussion of how many housing units could be built from rental arrears when it's in the millions of dollars. When we try to determine how many units to build, we have to consider how much debt there is because we want to do something about that.

We need to establish good communications between tenants with rental arrears and their LHO. We want to create a position that will deal strictly with that issue and hopefully this will alleviate the communications between the tenant and the local organization. If we work together that way, then we can eat away at the rental arrears and we expect that to happen in the future. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Enook.

Mr. Enook (interpretation): Thank you. You have probably thought of this. Some of us don't know how to manage money and some people don't bother with paying their debts because they are overwhelmed. I have heard of instances where some people owe extremely large amounts of rental arrears to the housing corporation. Why is that?

It's obvious that this has never been considered because it hasn't been worked on. This is something to

consider. Have you ever considered, for instance, if the arrears of tenants who reside in housing organization units reach \$1,000, \$2,000, \$3,000, or whatever amount, then the housing organization would have to talk to them? Has that ever been considered?

The reason I'm thinking this way is because if you had spoken to me when I wasn't so far behind in what I owed, I wouldn't have such a large amount of rental arrears. Has that ever been considered or is that the case already? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. This is an important issue when there are large amounts of rental arrears. For that reason we have put in our plans as a department. We work with other government departments on proper financial management and what the tenant can do to stop their debt from increasing or to decrease their debt. For those reasons we are starting to plan on counselling tenants with rental arrears. We're looking at ways of how we can help tenants with financial management. We're starting to plan for how we can work closely with tenants on how to deal with rental arrears. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you very much. Mr. Enook.

Mr. Enook (interpretation): Thank you, Mr. Chairman. I concur completely with the minister. Nonetheless, if I can urge the government, I would specifically urge you to fast-track this plan on rental

arrears. I am of the mind that while you are focusing on this rental arrear collection plan and most of us are aware that once any government department undertakes a planning process, it can become an unending process for many years sometimes. I would encourage you to speed up the planning process.

While you are developing this plan, the rental arrears standing at \$27 million is increasing as we speak. It is something we have to put a stop to. If the tenants were proactively encouraged to lay out a repayment plan by being informed of their arrears, then there would be suggestions on ways to lower their arrears. Some tenants are encumbered with extremely high arrears, but it seems they are not even worried about them.

That is mainly a comment, as I fully support your work. I am done on this subject. Thank you.

Chairman (interpretation): Thank you very much. He said that's just a comment. (interpretation ends) Nunavut Housing Corporation. Total Operations and Maintenance, to be Voted. \$199,843,000. Agreed?

Some Members: Agreed.

Chairman: Thank you. Do members agree that we have concluded the Nunavut Housing Corporation?

Some Members: Agreed.

Chairman: Thank you. Minister Kuksuk, closing comments. Mr. Kuksuk.

Hon. George Kuksuk (interpretation): Thank you very much, Mr. Chairman. I also wish to first of all thank the

interpreters behind the glass booths, as I always thank them, and we are very grateful to them for their services.

I also thank my officials and the resource people who provided support and those who were patiently waiting for their turn.

I appreciate members who provided questions to us and I look forward to working with all of you to resolve the challenges of housing here in Nunavut. This includes any suggestions meant to improve our efforts as well as the plans we have identified as requiring work. We want them to succeed and the only way forward is to work in partnership with one another.

I am just expressing my gratitude to you, Mr. Chairman, along with my colleagues for being able to review our work here today. I believe that is all. Thank you very much.

Chairman (interpretation): Thank you very much. Sergeant-at-Arms, please escort the minister's officials out.

Members, do you agree that we can proceed with the Department of Family Services? Mr. Enook.

Mr. Enook (interpretation): Thank you. Mr. Chairman, I think we did a lot of work today and we're more caught up in our work. I move a motion to report progress. Thank you.

Chairman: We have a motion on the floor to report progress and the motion is not debatable. All those in favour of the motion. All those opposed. The motion is carried. I will now rise to report progress to the Speaker.

Speaker (interpretation): Item 20. Report of the Committee of the Whole. Mr. Mikkungwak.

Item 20: Report of the Committee of the Whole

Mr. Mikkungwak: Thank you, Mr. Speaker. Your committee has been considering Bill 34 and the main estimates, and would like to report progress. Also, Mr. Speaker, I move that the Report of the Committee of the Whole be agreed to. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. There is a motion on the floor. Is there a seconder? Mr. Keyootak. The motion is in order. All those in favour. All those opposed. The motion is carried.

(interpretation ends) Item 21. Third Reading of Bills. Item 22.
(interpretation) *Orders of the Day*.
(interpretation ends) Mr. Clerk.

Item 22: Orders of the Day

Clerk (Mr. Quirke): Thank you, Mr. Speaker. Just a reminder that the Management and Services Board will meet this afternoon at 3:45 in the Tuktu Boardroom, and that the Standing Committee on Legislation will meet tomorrow at 1:30 in the Nanuq Room.

Orders of the Day for March 6:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions

5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. Petitions
11. Responses to Petitions
12. Reports of Standing and Special Committees on Bills and Other Matters
13. Tabling of Documents
14. Notices of Motions
15. Notices of Motions for First Reading of Bills
16. Motions
17. First Reading of Bills
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 32
 - Bill 33
 - Bill 34
 - Bill 35
20. Report of the Committee of the Whole
21. Third Reading of Bills
22. Orders of the Day

Speaker (interpretation): Thank you. (interpretation ends) This House stands adjourned until Monday, March 6, at 1:30 p.m.

(interpretation) Sergeant-at-Arms.

>>*House adjourned at 15:33*

Thank you.

