March 22, 2016

Mr. Bob Leonard
Chairperson, Nunavut Housing Corporation
PO Box 1000, Station 1300
Iqaluit, Nunavut X0A 0H0

Nunavut Housing Corporation Letter of Expectation 2016-17

Dear Mr. Leonard:

It is my pleasure to provide this Letter of Expectation for 2016-17. I firmly believe that the direction provided within will help to reinforce our relationship, build on our successes and further promote accountability. This letter contains the priorities and desired outcomes for the 2016-17 fiscal year and provides direction concerning the reporting responsibilities of the Corporation. It is my expectation that you will discuss the direction herein with the Board of Directors and your staff to ensure the expectations are met.

In addition, I expect that the Corporation's 2016-17 strategic goals will be to realize your mandate while endeavoring to achieve the vision for the future as outlined in *Sivumut Abluqta: Stepping Forward Together:*

- Our Government is committed to focusing on four priorities that will enable us to step forward together and make Nunavut an even better place for our children and grandchildren
  - Self-reliance and optimism through education and training
  - Healthy families through strong and resilient communities
  - Economic growth through responsible development across all sectors
  - Good government through wise use of resources

Nunavut Housing Corporation (NHC) plays an integral role in helping to realize this vision, particularly with respect to the provision of adequate housing that is fundamental to the health, education and well-being of Nunavummiut.

As we continue to invest in housing with our partners, we will develop more energy efficient and economical solutions, and ensure more affordable housing options and alternatives are available to meet people's varied needs, including the needs of a growing elder population.

Sivumut Abluqta identifies “Good government through wise use of our resources” as a priority. It commits to delivering programs and services in an effective, efficient and economical manner, and to focusing limited funds on programs and services that enable Nunavummiut to live healthy and productive lives. To accomplish this, a review of programs and services is being conducted to determine what is working well, what needs improvement, and what we should stop doing, and to ensure recipients of government funding are providing the outcomes that are expected from these investments.

The *Human Resources Strategy* which was approved in 2014 will focus on five priorities that will guide our actions during the four-year strategy: increasing and enhancing Inuit employment in the GN, recruiting the skilled people we need, engaging and developing employees at all levels, enhancing client service, and improving workforce data for planning and decision-making. NHC is expected work with the Department of Finance and the Department of Executive and Intergovernmental Affairs on these initiatives.

As part of the implementation of the HR Strategy, the Department of Executive and Intergovernmental Affairs will continue to ensure all departments and public agencies actively work towards enhancing Inuit Employment Plans, and will be conduct a training needs analysis to assist departments and agencies to implement their Inuit Employment Plans. NHC is expected work with the Department of Executive and Intergovernmental Affairs on these initiatives.

In accordance with the Harassment Free Workplace Policy, the GN has zero tolerance for harassment, bullying or reprisals of any type. It is crucial that all employees read, understand and follow this policy, as well as the Human Resource Manual Directives that complement the policy. Further, I expect you to ensure that that the President and CEO takes personal responsibility for ensuring a harassment free workplace at the NHC.

Additionally, the GN is committed to fully implementing the *Official Languages Act* and the *Inuit Language Protection Act*, ensuring Nunavummiut are able to communicate in their preferred official language when dealing with GN departments and agencies. In this regard, I remind you of your obligation to implement the *Uqausivut Comprehensive Plan* to ensure all Nunavummiut are able to communicate with NHC in their official language of choice.

Expectations and Priorities for 2016-17

As Minister responsible for NHC, I have reviewed and approved your 2016-17 business plan and budget. It is my expectation that you will adhere to the priorities and principles you have stated. Our continuous goal of achieving improved accountability and transparency must be kept in mind when you are following your plan.

I look forward to receiving regular reports highlighting progress made in implementing the 2016-17 business plan and meeting with you, and your board, on a regular basis to discuss the status of these priorities and the corporation's overall performance.

Accountability and Financial Management Reporting Expectations for 2016-17 Fiscal Year

The *Financial Administration Act (FAA)*, in Section IX, Public Agencies, outlines the minimum reporting responsibilities and timeframes for Nunavut's public agencies including particular provisions for territorial corporations. Additionally, in the interest of increased transparency, accountability and effectiveness, Ministers responsible for territorial corporations have issued directives to provide additional important information to the GN and Nunavummiut.

Ongoing reporting responsibilities through tabling in the Legislative Assembly include:

- The Corporation's Business Plan, at the same time as the GN's Business Plan is tabled.
- A yearly comprehensive report on all procurement, contracting and leasing activities undertaken by NHC. This report, or reports, should contain at a minimum the information currently available in the GN Annual Procurement Activity Report, Lease Activity Report and Contract Activity report. (In preparing the Lease Activity Report, please ensure that information which may provide an unfair business advantage to potential competitors is not disclosed).
- Formal responses to letters of expectation, letters of instruction, and Ministerial directives at the first session of the Assembly subsequent to the Corporation receiving such correspondence.

During 2016-17 you are once again instructed to give attention to the following ongoing reporting responsibilities to the Department of Finance:

- Board approved budget variance reports and expense projections for both operations and maintenance and capital on at least a quarterly basis.
- All schedules and working papers required for the preparation of the consolidated public accounts at their earliest availability or as per the distributed requirement timetable. Management letters or other reporting (including the Corporation's response) issued by the auditor (both the Auditor General of Canada and any other independent auditor) for all audits conducted on the Corporation for the year.
- NHC is asked to work with staff at the Department of Finance's Financial Reporting and Controls division to ensure Public Sector Accounting Standards are appropriately implemented in all financial reporting.

In addition to these ongoing reporting responsibilities, it is essential that you work with the Department of Finance to continue the implementation of the quarterly reporting system to closely monitor and report on projects that utilize the $76.7 million the GN will receive from the CMHC as announced in Federal Budget 2016.

It is also important that dialogue and communication be ongoing throughout our government. In the spirit of strengthening our public agencies, I ask that the NHC continue its close working relationship with the Department of Finance at all levels. The relationship needs to be nurtured on both parts, with an effective flow of both formal and informal information.

I look forward to discussing with you the priorities and directions as stated in this Letter of Expectation. I also look forward to reviewing your response to this letter.

In replying to this letter, please copy Chris D'Arcy, Deputy Minister of Finance, who will ensure that all public agency responses are tabled in the Legislative Assembly at the appropriate time.

Sincerely,

Honourable George Hickes
Minister Responsible for Nunavut Housing Corporation

c.c. Terry Audla, President & CEO, NHC
c.c. Chris D'Arcy, Deputy Minister, Department of Finance