



# Purpose Of The Engagement Sessions

The Nunavut Housing Corporation (NHC) is working towards the development of a Blueprint for Action on Housing (BPAOH), in order to follow through with the Government of Nunavut's (GN) commitment in the **2013 GN Long Term Comprehensive Housing and Homelessness Strategy** ("Strategy") to respond to Nunavut's housing crisis.

The BPAOH will be a collaborative action plan that takes a GN-wide perspective on the issues, solutions, and future actions required to address housing challenges in Nunavut, and will be largely informed by a series of inter-departmental engagement sessions in May and June of 2016.

The engagement sessions will be structured according to the four main goals outlined in the Strategy for responding to Nunavut's housing crisis, as well as key issues that characterize each of these goals. With a focus on the key issues, the engagement sessions will identify root causes, brainstorm potential solutions, and develop specific action items for inclusion in the BPAOH.

The four goals of the Strategy are:

- Removing Barriers to the Supply of Housing
- Reducing the Costs of Housing
- Defining Housing Demand Factors
- **Increasing Investment in Housing**

The purpose of this topic summary is to introduce the goal, **Increasing Investment for Housing**, and its associated key issue of investment/building a stronger business case.

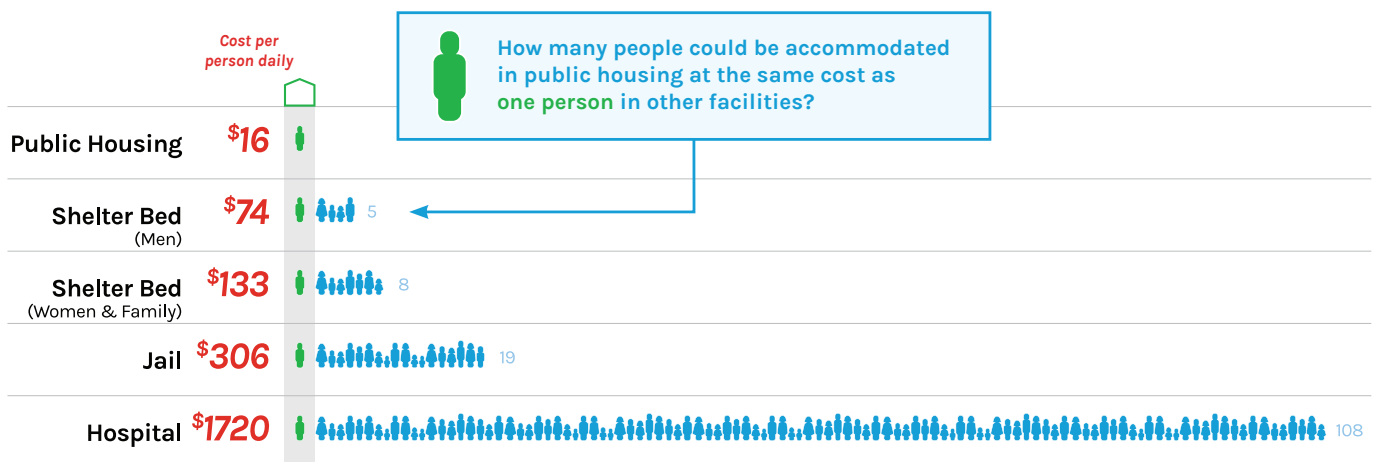
# Increasing Investment for Housing

Nunavut needs greater investment in housing to increase stock and to provide a diversity of housing options. Direct investments in housing provide economic stimulus with measurable outputs. Furthermore, investments in housing infrastructure also provide cost savings to the government in terms of reduced pressure on other essential government services.

**Investing in housing is not just good social policy, it is good education, health care, economic and community development policy.** Finally, not only does investment in housing reduce pressure on other government services, but it also provides for more affordable housing options for lower income Nunavummiut and may reduce the need for public housing in the future.

Practical solutions to Nunavut’s housing challenges require considerable financial investment and the contribution and collaboration of multiple partners, including the municipalities, federal government, Inuit organizations, non-government organizations and the private sector. Without increased investment, the housing situation in Nunavut will remain in crisis.

In order to meet the goal of increased investment in housing, objectives must be to strengthen government partnerships to renew investment in housing; strengthen advocacy for renewed federal investment in housing; and explore alternative financing options for housing.



Source: Nunavut Housing Corporation estimates 2012. Figures rounded to nearest whole person.

# Topics For Discussion

NHC proposes that **Increasing Investment for Housing** can be addressed by identifying ways to present a coordinated argument for increased investments in housing and related infrastructure from the federal government.

An achievable and comprehensive long-term response to Nunavut's housing challenges requires collaborative government involvement and significant investment to address the entire continuum of housing.

The following topic will be focused on during GN departmental engagement sessions:

## **Key Issue: Investment/Building a Stronger Business Case**

Increasing Nunavut's housing stock requires regular and increased capital investment. A review of projected needs (housing construction, maintenance, and related infrastructure) and the financial resources available to meet those needs is required to support a coordinated argument for increased investments for housing and related infrastructure from the federal government. The development of a strong and integrated business case for investment must also identify the benefits of investment and present evidence that social housing construction contributes to the social and economic development of the territory. Additional issues and ideas to consider include:

- How can the GN better analyze the impact of investments in housing on economic development?
- How can the capital needs of the GN be coordinated and rationalized?
- What further research needs to be done related to the construction costs of housing?
- What are the effects of aging infrastructure? And how can these pressures be quantified?
- How should the GN collaborate with NTI and other stakeholders (ex. FCM, NAM) to include housing in funding asks?
- What are the impacts of the debt cap on capital investment in housing?
- How can we produce and develop more reliable data for long-term financial discussions?

## Background / Substantiation

The territory's great size, its challenging climate, and a legacy of underinvestment in basic infrastructure, have all worked to prevent progress in the social and economic development needed to keep up with the long-term housing needs of Nunavut's young, dispersed and small, yet rapidly increasing, population.

Evidence exists from other jurisdictions to show that investment in housing has significantly reduced health and social service costs, and has stimulated economic growth. The Alberta Government attributed cost savings worth billions of dollars over ten years to its strong investment in social housing, and Quebec's housing agency calculated that every \$1 spent on social housing projects directly and indirectly created economic activity worth \$2.3011.

Investments in housing lead directly to higher employment and incomes in the construction sector, and indirectly to a general rise in economic activity. More and better housing will take away some of the causes of Nunavut's current crisis, thereby benefiting society as a whole.

NHC's average public housing cost is \$63 a day (of which 65% is utility charges). With an average occupancy of 4.44 persons per unit, this equates to \$16 per person per day. By comparison, beds at the Uquutaq Men's Homeless Shelter in Iqaluit, cost \$74 per person per day and a bed in the Sivummut House Women's Homeless Shelter in Iqaluit, costs \$135 per person per day. The daily cost of a jail cell in Nunavut is \$306 and the daily cost of a hospital bed is \$1720 per day.

Furthermore, there are uncalculated societal costs associated with employee absenteeism and high school dropout rates, for example. Because of inherent interconnections, investing in public housing mutually benefits all aspects of society, including education, health care, economic and community development.

Examining alternative financing options to increase investment in housing, as well as providing more diversity in housing options will improve self-reliance and economic outcomes. Increases in the housing stock will lead to a stronger economy and a healthier society.

# Current Situation

Nunavut's housing crisis is a complex challenge that touches all aspects of the GN's service delivery. The purpose of this section is to provide a summary of current and future departmental actions and priorities that are either directly, or indirectly linked to the Strategy goal of **Increasing Investment in Housing** and associated key topic of investment/building a stronger business case.

It is hoped that drawing connections between departmental priorities will foster greater collaboration across government to find more innovative and efficient approaches to prioritizing government spending.

Information has been drawn from pre-engagement interviews with departments, and from a review of current departmental business plans (2016-19), and is intended to act as a starting point for more focussed discussion during the engagement sessions.

## Pre-engagement Interviews

- The development of a business case for greater investment in housing should be holistic in its approach and be informed by discussion from the other engagement sessions.
- Questions to explore: How can the GN capitalize on the perceived willingness of the new federal government to invest in northern infrastructure development? And, is the GN capable of actually implementing funding when internal capacity and resource limitations are considered?

## Business Plan Priorities (2016-19)

### Investment / Building a Stronger Business Case

- **NHC** continues to work with the Canada Housing and Renewal Association (CHRA) to lobby for increases in the supply, quality and affordability of housing in Nunavut. NHC is working with other territories to develop a Northern Business Case for Federal Investments in Housing.
- The **Department of Economic Development and Transportation (EDT)** has committed to work with the **Nunavut Economic Forum** to develop an implementation plan for the Nunavut Economic Development Strategy II (2014-2024).

- **EDT** is responsible for the implementation of the new **NNI Policy** which promotes long-term economic development through maximizing the participation of Nunavummiut, and especially Inuit, in the workforce.
- **EDT, Transportation Policy and Planning** prioritized projects for consideration in the last GN Capital Plan based on a 20-year capital needs assessment.

The **2003 - 2013 Nunavut Economic Development Strategy** notes the importance of investment in housing for Nunavut's economic development, and sets housing as a strategic priority for the territory. The GN is currently developing a new Economic Development Strategy (2014-2024).

- **EDT, Transportation Policy and Planning** plans to identify funding opportunities available through the **New Building Canada Fund**. The division commits to working with communities and proponents to establish marine infrastructure plans in communities where such infrastructure has the potential to achieve financial sustainability and multi-modal linkages.
- The Department of **Executive and Intergovernmental Affairs (EIA)** is responsible for representing the GN / lobbying on behalf to social and economic policy-related issues, and building partnerships outside the GN. EIA continues to actively participate in the **Aboriginal Affairs Working Group**, which includes a housing sub-group.

As identified in **Parnautit**: the **Nunavut Mineral Exploration and Mining Strategy**, investments in hub communities would encourage linkages between communities and the development of the resource development sector. Investments in shipping infrastructure could also yield economic benefits through increased tourism (i.e., from cruise ship liners).

