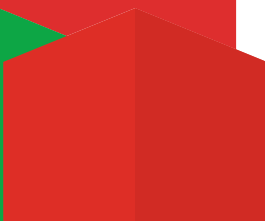


Blueprint for Action  
on Housing  
**Reducing  
the Costs of  
Housing**

**Discussion Primer**

Nunavut Housing Corporation



# 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 an action plan that takes a GN-wide perspective on the issues, solutions, and future actions required to address housing challenges in Nunavut. The BPAOH will be 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, as well as the 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:

1. Removing Barriers to the Supply of Housing
2. [Reducing the Costs of Housing](#)
3. Defining Housing Demand Factors
4. Increasing Investment in Housing

The purpose of this topic summary is to introduce the goal, [Reducing the Costs of Housing](#), and its associated topic areas.

# Cost of Housing

The cost of housing construction in Nunavut is very high. **On average, construction costs in Nunavut are nearly three times higher than in the Greater Toronto Area.**

Furthermore, the operation and maintenance costs for social housing are significant and increasing year over year. Operating costs are mostly attributed to water, power, and sewage services, with only a small percentage of these costs being recovered through rental revenues.

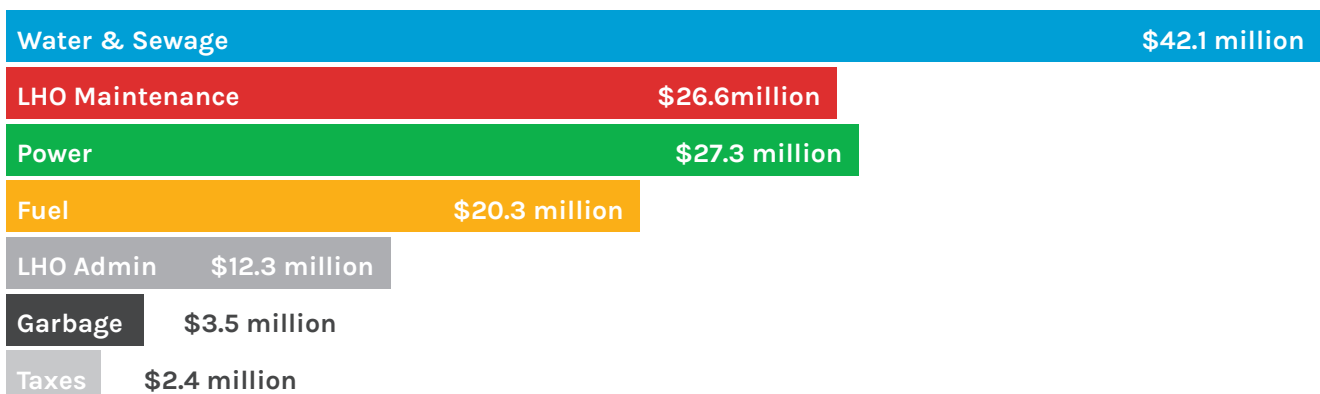
High delivery costs for utilities are associated with Nunavut’s growing infrastructure deficiency and cannot be expected to improve significantly in the foreseeable future. A greater understanding around the true costs of service delivery is needed.

Nunavut’s pool of skilled labourers, particularly in the areas of construction, maintenance and administration of housing and related infrastructure, is small. This impairs the ability of the NHC to maintain its own buildings, limits the capacity of the construction industry to build more private dwellings and in some cases, prevents individuals from purchasing homes due to high maintenance costs.

A strong local workforce will enable the GN to build and maintain housing more efficiently and therefore reduce the costs. Increased local employment would also benefit the economy and contribute to self-reliance.

Technological innovation can help reduce the costs associated with building and maintaining housing. Increased collaboration within government, as well as analysis of best practices in other jurisdictions, will help determine alternatives that work for Nunavut.

## Breakdown of Public Housing Yearly Operating Costs



# Topics For Discussion

NHC proposes that **Reducing the Costs of Housing** will rely on strengthening local workforces in construction, maintenance, and administration of housing and related infrastructure; increasing technological innovation to build and maintain housing more efficiently; and on improving understanding of the true costs of service delivery.

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

## Key Issue: Workforce Development

The NHC proposes the development of a **comprehensive training continuum** that outlines all existing GN administrative/contractual measures, programs and spending that support, or could be used to support and sustain ongoing training and skills development. The continuum would align with adult education, career development, income support, etc., and would help identify training gaps that exist.

A strengthened local workforce will enable the GN to build and maintain housing more efficiently, thereby reducing costs. Increased local employment would also benefit the economy and contribute to self-reliance. Identification of opportunities for partnerships and better coordination between departments involved in local workforce development is key to strengthening Nunavut's capacity to meet the demands for housing and associated infrastructure. Additional issues and ideas to consider include:

- What are the immediate barriers to hiring and retaining more local labour?
- What steps can the GN and other organizations take to address these barriers?
- How can the GN do a better job of integrating existing training programs?
- What measures would be required to ensure the development of a coordinated training continuum to ensure trainees can keep progressing to reach their objective?
- How can GN Capital maintenance and repair budgets support local initiatives for increased trades labour?
- Can the GN gather and synthesize all information available about training in Nunavut, so that there is an understanding of the current training environment?

- How is the GN contributing to increasing interest in trades and professions related to the housing industry?
- How can the Blueprint for Action support Makimaniq Plan initiatives around skill development?

### Key Issue: Technological Innovation

Additional research in best practices and potential standards is required to strengthen our understanding of how technological innovation can help build and maintain housing more efficiently. **Greater collaboration between GN departments and agencies on potential pilot projects will enable more economical construction and maintenance options.**

Given the high cost of utilities across the territories, more energy efficient homes and more sustainable energy solutions will have large impacts on the costs of housing over the long-term.

Additional issues and ideas to consider include:

- How can the GN support the development of more energy efficient and economic housing and infrastructure?
- What are the existing standards and best practices in technological innovation and energy efficiency? How can these be applied in Nunavut?
- Are there new/exisiting pilot projects that will enable more economic construction or reduce operating and maintenance costs?
- How can the GN engage public and staff housing tenants around issues of conservation and the true costs of housing?
- How can energy use be tracked and monitored to improve efficiencies and reduce consumption?
- What can be done, in terms of monitoring and long term planning, to extend the life of energy related infrastructure to alleviate capital spending pressure?

## Key Issue: Municipal Financing

Municipal financing structure is influencing the cost of housing. The NHC proposes examining the existing municipal financing structure, and the role of utility charges in reconciling municipal budgets. Investigating the level and appropriateness of control given to municipalities in determining the costs of municipal services and land development is also important, as well as exploring potential alternative financing models.

Additional issues and ideas to consider include:

- What role does housing, and services to housing, play in municipal financing and the issues around it?
- What are the challenges municipalities face with their financing models?
- How are municipalities actually financed? What is the current landscape/
- Should the cost of municipal services be regulated? If so, how?

## Background / Substantiation

In Nunavut, essential goods and services cost two to three times more than in southern Canada, and household operating costs can be five to ten times more expensive, which drive operation and maintenance costs. **High operation and maintenance costs coupled with the short construction season and limited local skilled workers, leads to increases in the perceived risk of ownership and the cost of construction.**

Reducing housing costs for government and the private market will allow public funds to be diverted to increase housing programming or additional stock and will permit private developers to bear less risk in helping to grow the private market and improve housing in Nunavut.

The GN requires, and will continue to require, significant cross-sectoral support to address current housing shortfalls and gaps in the continuum. Through the establishment and implementation of the right policies and priorities the GN will be able to reduce the high costs of housing, and to increase housing availability and accessibility. Reducing the cost of housing will not only allow for more public housing units to be constructed, but it will also lead to a stronger private market.

## Current Situation

Nunavut's housing crisis is a complex challenge that touches all aspects of GN 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 **Reducing the Costs of Housing** and associated key topics of workforce development, technological innovation, and municipal financing. It is hoped that by drawing connections between ongoing department priorities and housing issues at hand, departments can begin to collaborate on 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

- Greater collaboration across government is required to coordinate existing resources, programming and initiatives for workforce development, with particular regard to apprenticeship programs.
- A comprehensive and transparent gap analysis of Nunavut's training continuum is needed so that departments and agencies can respond accordingly and in a coordinated manner.
- The **Department of Community and Government Services (CGS)**, is conducting a review of the municipal financing structure. The results of this review may impact the delivery of municipal services.

Priorities set out in GN Strategic Plans and Departmental Business Plans (2016-19)

### Technological Innovation

Energy efficiency and Sustainability

- **NHC** continues to implement new financial, property management and full life cycle maintenance software to improve the management of NHC's aging public housing stock.

- **CGS, Community Infrastructure** is developing a strategic plan to address infrastructure maintenance in Nunavut and has implemented a new computerized maintenance management system to track infrastructure maintenance costs, along with life cycle renewal, energy management, and GN asset inventory.
- **EDT** has set a priority to collaborate with **NHC**, local governments and the construction industry to establish new standards and programs to build more energy efficient housing and infrastructure in the territory.
- With **NHC**, EDT is currently determining the feasibility of adding solar hot water systems to new and existing multiplex housing units.

The **Department of Economic Development and Transportation (EDT)** and the Energy Secretariat are responsible for implementation of **Ikummatiit – the GN’s Energy Strategy (2007)** – to address the territory’s dependence on imported fossil fuels.

The Energy Strategy sets policy and planning objectives for the GN, such as development of a new Energy Code for Retrofitting Existing Buildings. (EDT is anticipated to begin stakeholder consultations by 2019 for the renewal of the GN’s Energy Strategy.)

- **EDT** has committed to support communities, private industry and the **Qulliq Energy Corporation** (QEC)’s Energy Management Group (EMG) in exploring opportunities for energy savings as well as potential alternative renewable

The **Parnautit Strategy** outlines the objective of building long-term and sustainable community and regional infrastructure required for continued mineral exploration and responsible development in the territory.



## Climate Change Adaptation

- The **Department of Environment, Climate Change** section is focused on community-based adaptation to climate change, including changes to infrastructure.
- **Nunavut Arctic College (NAC)** works with NRI to deliver an Environmental Technology Program, which is scheduled for expansion over 2016. NAC has also committed to work with the Canadian High Arctic Research Station to build research capacity in Nunavut.

Changing permafrost and ice conditions as a result of climate change require adaptations in infrastructure engineering and construction practices. The GN's **Climate Change Impacts and Adaptation Strategy – Upagiaqtavut** – sets objectives for building innovative partnership opportunities across government, communities, organizations, universities and the private sector for integrating climate change considerations into planning and decision-making processes.

## Workforce Development

### Strengthening Nunavut's Local Workforce, Building Self-reliance

- **NHC** coordinates the training, mentoring, development and staffing opportunities for Nunavut Land Claim Agreement beneficiaries within NHC. An employment succession plan to establish a long-term path for Inuit employees to progress through NHC positions is under development.
- With **NAC**, **DFS** has been working to implement the Getting Ready for Employment and Training (GREAT) work readiness program.
- The **DFS Career Development** branch does outreach to high schools, Community Learning Centres, and to NAC students to provide information on the Financial Assistance for Nunavut Students (FANS) programs, labour market programs and the apprenticeship program.

- **DFS** collects data on labour gaps and labour market needs in Nunavut in order to inform funding allocations and training activities across the territory's employment sectors. Longer-term priorities include a review of best practices to implement a labour market program to better connect Nunavummiut youth with employment opportunities.
- **DFS Career Development and Income Assistance** branches have committed to improve services and supports to increase the work readiness capacity of income assistance clients. DFS continues to raise awareness of income assistance programs and plans to undertake reviews of the Social Assistance Act and the Apprenticeship, Trades and Occupations Certification Act.

### Implementing the Human Resource Strategy

- Within the **Department of Executive and Intergovernmental Affairs (EIA)**, the **Sivumuaqatigiit** division is responsible for ensuring that GN departments and public agencies implement and enhance their Inuit employment plans through delivery of training programs and services such as the **Sivuliqtiksat Internship Program**.
- Working with **EIA**, the **Department of Finance** is evaluating the implementation of priorities set in the GN Human Resource Strategy. The Department has committed to expand student employment opportunities in non-decentralized communities and has increased participation in the **Summer Student Employment Equity Program (SSEEP)** to prepare Nunavummiut youth for employment with the GN.

### Education, Trades Training and Apprenticeships

- The **Department of Education** is developing policies and procedures for the Pathway to Adult Secondary School program. The **Curriculum and School Services** branch ensures that school curriculum prepares students for post-secondary education and employment.
- **NAC** has committed to increase post-secondary and apprenticeship opportunities in all occupational categories with an emphasis on workforce development – including Pre-trades, Adult Basic Education, College Foundations, and Pathway to Adult Secondary School Diploma programs.
- **NAC** is working to establish an Equipment Training Centre and Mine Training Centre to expand training opportunities to increase employment in the mining sector.

- **NAC** has received accreditation for the Oil Burner Mechanic, Construction Electrician, Plumbing, Housing Maintainer, and Carpentry Programs. Over the next few years, the College will prepare for accreditation of Welder Millwright, Heavy Duty Equipment Technician and Automotive Technician programs in both apprenticeship and pre-apprenticeship.
- **DFS** plans to implement program and policy changes that emerge from revisions to the Social Assistance Act and the Apprenticeship, Trades and Occupations Certification Act.

Under the **GN Human Resource Strategy (2014-2018)** the Departments of Family Services (DFS) and **Community and Government Services (CGS)** have a role to identify opportunities to recruit and hire apprentices in the skilled trades that the GN requires.

The Strategy sets out actions to enhance the recruitment and retention of Nunavummiut and non-Nunavummiut in order to strengthen the capacity and skills of Nunavut's public service workforce.

## Municipal Financing

- **CGS, Community Infrastructure** supports the development of the Five Year Capital Plan to meet community housing and infrastructure needs, and is planning for sustainable community growth to make more effective use of limited capital resources
- **CGS Community Development** provides financial support to communities to develop self-reliance and improve service delivery capacities. The Community Development Fund provides communities with training and development to increase capacity in program management and delivery, monitoring and self-evaluation.

