



**Government of Canada
Pre-Budget Consultations 2016**

Building Sustainable Homes and Communities in Nunavik



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Introduction

Makivik Corporation (Makivik) is pleased to provide this proposal for consideration to the Government of Canada. Makivik recognizes the value in briefing Members of Parliament, Committee members, and staff so they may effectively provide recommendations that would strengthen our country, communities, and people.

Makivik is a non-profit entity created pursuant to the James Bay and Northern Quebec Agreement (1975) and represents Nunavik Inuit on social, cultural, and economic matters.

The People and Employment of Nunavik

Located north of the 55th parallel of the province of Quebec, Nunavik had a population of 12,090 in 2011 according to Statistics Canada. The population of Nunavik is young and growing rapidly. For example in 2011, 37% of its population was under the age of 15 and more than half (58.4%) were under the age of 21.

Nunavik is blessed to have such a young population, one that is taking leadership in ensuring its future is bright. Significant growth in employment opportunities in the region for both Nunavimmiut and other Canadians have recently come from the construction and natural resource sectors. In 2011, 7862 Nunavimmiut were gainfully employed, with 654 positions located outside of Nunavik.

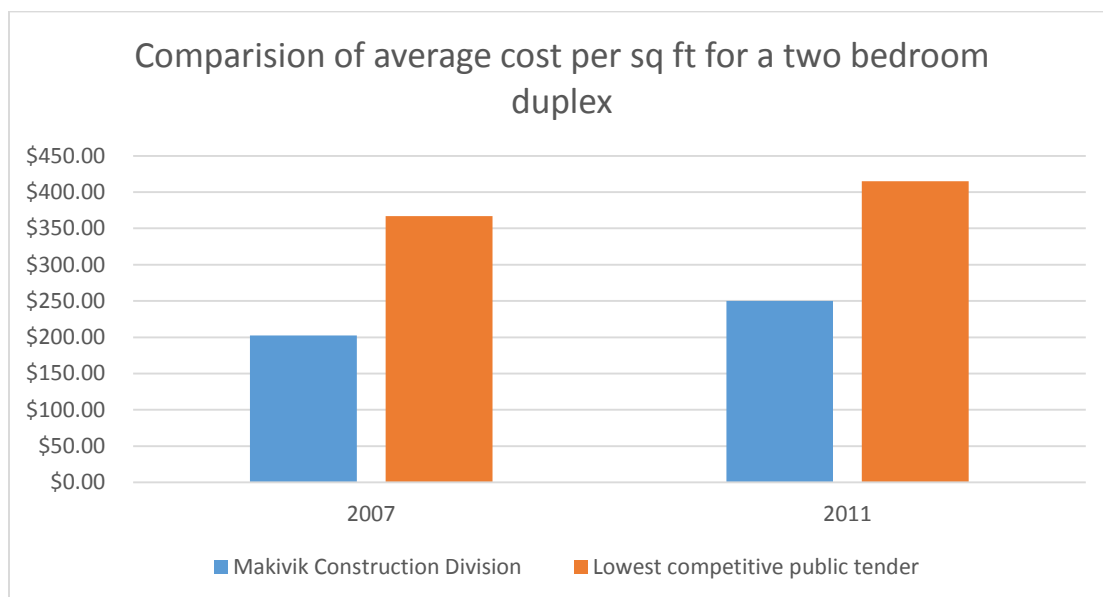
The ability for the young population to secure full-time and part-time employment in or near their communities is reframing the mindset of the people and the communities they live in. The people want to be self-reliant and resilient. Understanding this, Makivik has placed significant attention on its housing construction efforts not only to provide critically needed, well-built houses for the people of Nunavik to call home, but also to provide workers with transferrable skills to be used in the rapidly growing natural resource sector in Nunavik.

Housing Construction in Nunavik

Makivik is very proud to construct efficient, well-built houses in an economically efficient and sustainable manner. Publicly tendered bids have proven that Makivik's not-for-profit construction division can build housing for hundreds of thousands of dollars less per home than private-sector contractors. Its construction model focuses on training workers in a manner that is unique to Indigenous communities, worker retention and a procurement process that reduces waste and increases productivity. Examples of Makivik's construction model include:

- **Intercultural Training** - With most projects, Inuit and non-Inuit need to work together but can often clash due to cultural differences. Makivik invests time and resources on having workers understand the different cultures. This has not only resulted in a better work environment, it leads to higher employment retention rates, quicker project completion times, with better construction outcomes.

- Precision Planning** – Makivik’s approach to building houses is to focus on precision and logistical planning. Every dollar saved through proper planning is rolled back into the infrastructure budget and is used to build more housing units. Planning, such as sending next year’s supplies at the end of the previous season to allow for an early start to the short construction season before the arrival of the first sealift. Buying local, where possible, makes a significant difference on the bottom line. This precision planning allows Makivik to ensure that the housing units are being built at the lowest possible price without jeopardizing quality.
- Building Innovative Houses that Last Longer, for Less** – Building homes in the North, where temperatures are extreme and supplies must be shipped from long distances, can be challenging. Makivik is working on a number of innovative projects, from energy-efficient prototypes to environmental protection, which contribute towards more durable housing units that last longer. Makivik’s exploration of innovative means to build better homes can benefit all northern communities who have the same challenges and barriers.
- Efficiency** – A key element of Makivik’s approach to building homes is to use time and resources as efficiently as possible in order to reduce costs. For example, Makivik promotes the re-use of the same housing plan. This allows for construction workers to become familiar with the model and thus spend less time learning a new building plan. Also, notwithstanding the need for houses in all 14 communities, Makivik has restricted the number of communities each year where it will construct new homes so that the fixed costs of construction in each community can be spread over a greater number of units.



How has Makivik's Construction Industry Made a Difference in Nunavik?

In 2014, Makivik's payroll of \$12.4 million was provided to 286 employees, of which 43% were Inuit. The total economic spinoff to the Nunavik Region was \$20.3 million.

In March 2015, 10 of these Inuit employees were provided with special recognition certificates for their outstanding work ethic and dedication to Nunavik's construction industry. The Inuit workers were able to accumulate 1000 work hours in 2014 in a short construction period. The number of hours recorded by Nunavik construction workers has been growing consistently over the past few years.

Incentive programs have been established for proper up-keeping of the homes. Residents who invest in their homes tend to do well in their communities and society.

Overall, the construction industry has helped to create a sense of pride for workers and the communities, while providing the necessary tools to work towards long-term sustainability and resiliency.

A Model to Share

Makivik's housing construction model is valuable to most Indigenous communities faced with a similar housing crisis and who wish to have their people gainfully employed. It is for this reason, Makivik is working with the Department of Indigenous and Northern Affairs so Makivik can share its successes as well as find ways to deal with Makivik's housing shortage crisis for both the medium- and long-term.

It is Makivik's intention to formalize a partnership between the people of Nunavik and the Government of Canada as well as work with key partners including the province of Quebec. The partnership would address the backlog of housing in Nunavik with tools that enable sustainability and self-sufficiency in the most transparent and accountable manner.

Too often, media report on housing crises in Indigenous communities and not enough when things are being done right. For this reason, Makivik is investing in bringing forward a communication plan that lays out the various milestones and progresses along including improvements in the health and social well-being of the residents, the new job-training opportunities (particular amongst the younger population) and the transferable skills development for future job sustainability. In fact, Nunavik would like to use this communications plan to showcase to other Canadians the successes in their housing construction model and what opportunities it is has brought to their community and lives.

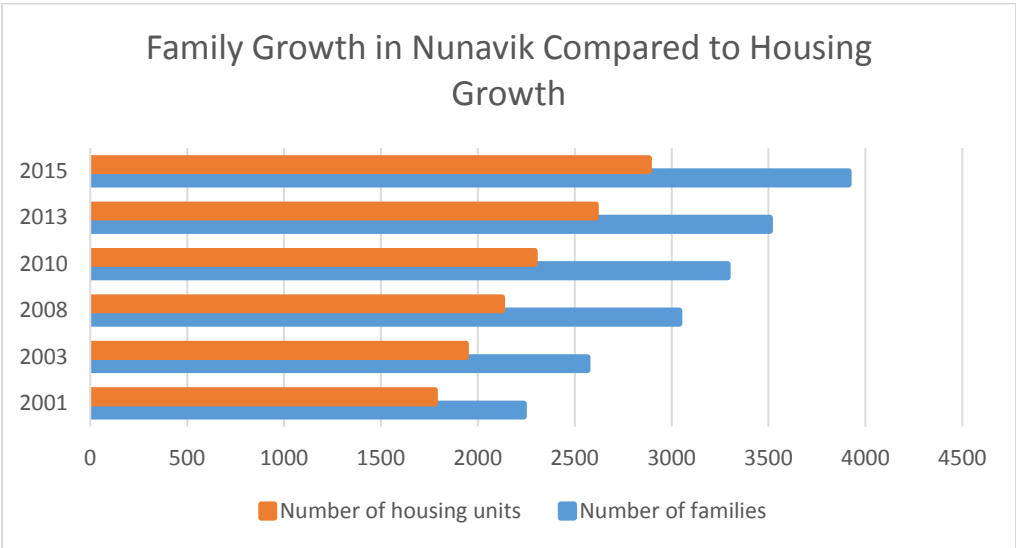
The execution of the communication plan will be a commitment made by the Makivik Corporation. To get to that important point however, Makivik is focused on the immediate, short-term needs that must to be addressed to continue forward with its successful construction model.

The Current Housing Situation in Nunavik

In 1998, as per the James Bay and Northern Quebec Agreement, the governments of Canada and Quebec agreed to enter into a 5-year housing agreement with Makivik for the funding of social housing construction by the non-profit construction division of Makivik. Under the agreement Canada pays for the infrastructure costs while Quebec pays for the operating deficit of the units over a fixed period.

To date, this 5-year housing agreement has been renewed twice (2005-2010 and 2010- 2015) and most recently for an additional year (until 2016). The extension of one year was mutually agreed upon by both parties as an interim measure while each recognized the need to work together on alleviating the significant housing backlog in Nunavik. Due to the election, another one-year agreement is currently being negotiated. While these temporary solutions are understandable, the overcrowding situation worsens, the longer we wait.

Nunavik is in the midst of a serious housing crisis. There is currently a backlog of 1,030 social housing units in Nunavik that would cost approximately \$350 million to address. The backlog is simply due to the rapidly expanding population. It has led to an increase in health issues such as a spike in tuberculosis, not to mention the strain on the mental well-being of the people of Nunavik. It is the leading obstacle for the young population to work on a brighter future.



Makivik was pleased to receive recognition by the federal government in the past, that the housing backlog needs to be addressed. However, for the people of Nunavik, that time cannot come soon enough. Further, eliminating the social housing shortage in Nunavik through a sustainable housing plan means that Canada would be meeting some of its most important obligations under the James Bay and Northern Quebec land claims agreement.

Plan Nord

The government of Quebec has an ambitious 25-year, \$50 billion plan, named Plan Nord, to bridge resource development in Northern Quebec with improving the lives of people of the region. The Quebec government believes that Indigenous groups will want to work with development projects if they see tangible benefits for their people.

Recognizing that adequate housing is required to help Plan Nord succeed, the Government of Quebec negotiated with the people of Nunavik an agreement for its contribution to catch up on social housing. This agreement provided for the construction of 300 social housing units in Nunavik and a further 50 cooperative units and 150 private homes. These 300 social homes are being built in concert with homes provided for in 2010-15 Housing Agreement was scheduled to end on March 31, 2015, which the parties (Inuit, Canada and Quebec) extended by agreement for one year to March 31, 2016.

To date, Makivik has delivered 220 of the 300 units with the remaining 80 units scheduled for delivery at the end of the current construction season in December 2015. In addition to the 80 Plan Nord units, another 60 units will be built under the one year extension of the 2010-15 agreement, for a total of 140 units in 2015.

During the 2015 construction season, Makivik's construction division expects to:

- Employ 250-300 individuals (286 in 2014)
- Provide 8,000 hours of training (7,636 in 2014)
- Retain between 125 to 175 workers from 2014

Nunavik at a Tipping Point

An additional 60 social housing units have most recently been announced by Quebec as part of the Plan Nord development program. Yet with no other short-term funding committed to manage the significant backlog, the people of Nunavik are at a very critical point. Having adequate housing would create better conditions for education and skills development in Nunavik, allowing the young and growing population to benefit from natural resource opportunities in and around their communities. Unless additional catch-up funding is secured for the 2016-2017 construction season and beyond Makivik will have to lay-off a large portion of its construction workforce and forfeit the momentum it has built in on-the-job training of Inuit workers thus minimizing the workers' abilities to seize growing opportunities from the natural resource sector.

Most importantly, the health and welfare concerns of the overcrowding is overwhelming, costing both the people of Nunavik and governments. Nunavik is at a tipping point and we need to ensure it moves in the right direction.

In Conclusion

Makivik, in partnership with the Department of Indigenous and Northern Affairs, is positioned to start an extremely valuable process of providing information and solutions that could help many Indigenous communities for both the medium- and long-term. However, it needs to solve the immediate housing crisis in its own communities first, created purely as a result of a rapidly growing population and the lack of catch-up funding for well over two decades.

It is understood that many cities across the country, particularly the larger urban ones, are seeking for infrastructure dollars and we appreciate that the federal government values social equity and working with remote communities as important as partnering with larger municipalities. **Makivik is requesting \$350 million to immediately address the housing shortage. This would create 1,030 houses over five years and train and employ approximately 400 workers annually in various fields throughout the construction process, giving them the tools and resources to create self-reliant and resilient communities.**