



**House of Commons Standing Committee on Finance  
Pre-Budget Consultations in Advance of the 2018 Budget**

**Building Sustainable Homes and Communities in Nunavik**



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Makivik Corporation (Makivik) appreciates the opportunity to submit this briefing to the House of Commons Standing Committee on Finance, with respect to the housing crisis in Nunavik and its impact on productivity in the region.

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.

### **A Productive Nunavik**

Located north of the 55<sup>th</sup> parallel of the province of Quebec, Nunavik has a rapidly growing population which according to the 2011 Census included 12,090 residents, of which 37% were under the age of 15 and more than half (58.4%) were under the age of 21.

Nunavik is fortunate to have such a young population, one that is taking leadership in building a bright future. Currently, most of the employment opportunities in Nunavik stem from construction and natural resources. In 2011, 7,862 were gainfully employed in full and part time positions, with 654 positions held outside of Nunavik.

The ability for the young population to secure employment is transformational for Nunavik communities. Employment provides self-reliance and resiliency. With employment opportunities and skills training as a top priority, Makivik has placed significant attention on its housing construction efforts to deliver critically needed, well-built homes for the people of Nunavik and to provide workers with transferrable skills to be used in the rapidly growing natural resource sector in the region.

### **Housing in Nunavik**

Nunavik is in the midst of a serious housing crisis, which is the primary factor undercutting productivity in the region. Due to a rising population and longstanding housing deficits, according to the 2015 Nunavik Housing Needs Study there was a backlog of over 1,000 social housing units in Nunavik, which will cost approximately \$350 million to address.

The housing shortage in Nunavik is one of the leading obstacles to a prosperous and productive future for much of the young Inuit population. The deficit has led to an increase in serious health concerns, including a spike in tuberculosis. Access to housing is directly tied to mental health and wellbeing. As Prime Minister Trudeau has stated, “when Canadians are healthy, they are happier, more productive, and can contribute more fully to our society.”

In 1998, as per the James Bay and Northern Quebec Agreement, the government of Canada 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. To date, this 5-year housing agreement has been renewed twice (2005-2010 and 2010-2015) and most recently for an additional two years (until 2017). However funding under these various agreements has not been sufficient to address housing needs in Nunavik and the housing deficit has continued to grow.

Makivik was pleased to receive \$50 million in Budget 2016, an important step in beginning to address this serious crisis. That one budget line meant 144 new units for the region. However, the amount does not do enough. The federal government has acknowledged on numerous

occasions that the housing backlog urgently needs to be addressed. The people of Nunavik require more than recognition – they need funding now to continue solving this crucial housing shortage.

### **The Makivik Model**

Makivik constructs resilient, durable homes for less money than equivalent houses built by for-profit construction companies. The construction model focuses on training workers in a manner that is unique to Indigenous communities. The training and employment approach ensures that workers are retained and have the skills to undertake other work when housing construction is completed. Makivik's procurement process reduces waste and increases productivity.

*Intercultural Training* - Inuit and non-Inuit work side by side at the Makivik job sites but cultural and language differences can sometimes lead to misunderstandings. Makivik invests time and resources on having workers better understand the different cultures. This not only results in a better work environment, it leads to higher employment retention rates, quicker project completion times and better construction outcomes.

*Skills Development* – Makivik provides workers with on-the-job training that helps them obtain certification once the construction period is over. For example, carpenter's licenses require 6,000 hours of training – including specific training that is not available or relevant to northern communities, such as basement construction. Makivik provides opportunity for employment where local workers are given the skills training required for future licences and works with employees to overcome barriers.

*Planning* – Makivik's approach to building houses is to focus on precision and logistical planning. Every dollar saved is reinvested into building more housing units. Planning items such as sending next year's supplies at the end of the previous season and buying local, where possible, makes a significant difference on the bottom line.

*Innovative Design & Construction* – Building homes in the North, where temperatures are extreme and bringing up supplies from long distances can be challenging, requires constant innovation throughout the building process and between building seasons. Makivik is developing sustainable and environmentally friendly practices, including energy-efficient prototypes, which contribute towards more durable, resilient 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. Makivik consistently re-uses the same, proven house designs which in turn develops worker's familiarity with the model and improved efficiency. By building homes in restricted number of communities each year, fixed costs such as food preparation and construction camps are spread over a greater number of units.

*A Model to Share* – Makivik's housing construction model is valuable to Indigenous communities across the country challenged with both housing crises and the need to develop

new economic and training opportunities. Makivik has worked closely with Indigenous and Northern Affairs Canada, with Minister Bennett having toured an Inuit social housing construction site in 2015, later writing “it was impressive to see firsthand how a housing unit is built to withstand Northern realities, and the tour of the construction site demonstrated the important contribution each additional unit makes towards the overall community wellbeing.”

### **The benefits of investing in Makivik’s Housing Model:**

- ❖ The economic rationale for investment is strong. Makivik constructs houses for hundreds of thousands of dollars less than private contractors and creates millions of dollars of economic spinoff benefits in the Nunavik Region (In 2017, the total economic spinoff to the Nunavik Region based on historical figures is expected to be in excess of \$15 million).
- ❖ 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.
- ❖ Makivik provides on-the-job training to an ever increasing number of Inuit workers and is by far the most important employer of Inuit construction workers in the Nunavik region. It works closely with the Kativik Regional Government to develop required trade skills for its People, to increase the number of hours worked, and to promote apprenticeships that lead to certification. Together, Makivik and the Kativik Regional government provide on-the-job carpentry, safety, as well as cultural sensitivity training - all essential to achieve higher employment retention rates, quicker project completion times, with better construction outcomes.
- ❖ 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.
- ❖ Makivik’s innovative housing construction model has been recognized for its important contribution towards the overall well-being of communities throughout Nunavik and is one that can be replicated in other Indigenous communities faced with a similar housing crisis that also wish to have their community gainfully employed and engaged in creating the solution to a pressing problem.

### **Risk & Opportunity**

The people of Nunavik are at a critical juncture. Not addressing the housing backlog immediately would result in Makivik laying off more than half of its construction workforce. If the federal government does not take immediate action, Makivik will be required to cut the number of job training initiatives, 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 the federal government.

Taking action now to fix this shortage will provide hope and opportunity to a young Inuit population eager to build a stronger and more productive Nunavik.

### **The Recommendation**

**Makivik is requesting \$350 million over a five year period to address the housing shortage in Nunavik.** This funding would allow Makivik to train and employ approximately 450 workers annually throughout the five year period in various fields throughout the construction process. Those Inuit workers employed by Makivik would be given the tools and resources to enable them to become important contributors towards the creation of self-reliant and resilient communities.

This investment would not only strengthen the infrastructure in place for the people of Nunavik which will allow them to continue creating self-sufficient and sustainable communities through greater employment opportunities and economic growth, but it will also allow them to help other Indigenous communities achieve the same successes, significantly increasing the government's return-on-investment.