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Northwest  
Territories Legislative Assembly

TENTH ASSEMBLY

**FINAL REPORT OF THE  
SPECIAL COMMITTEE ON HOUSING**

*Co-Chairmen*  
Ludy Pudluk  
Arnold McCallum

June 1985


June, 1985

HONOURABLE DONALD STEWART  
SPEAKER  
LEGISLATIVE ASSEMBLY OF THE N.W.T.

Sir:

It is our privilege to submit to you the Final Report of  
the Special Committee on Housing.

  
Arnold McCallum  
Co-Chairman

  
Ludy Pudluk  
Co-Chairman

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### Committee Membership

**Back row: Left to right:** Michael Ballantyne (*Alternate Member*), Eliza Lawrence (*Regular Member*), Michael Angottitauruq (*Alternate Member*), Joe Arlooktoo (*Regular Member*), Elijah Erkloo (*Alternate Member*), John T'Seleie (*Regular Member*), Red Pedersen (*Regular Member*).

**Front row - Left to right:** Arnold McCallum (*Co-Chairman*), Ludy Pudluk (*Co-Chairman*), Samuel Gargan (*Alternate Member*).



MOTION 19-84 (1)

Special Committee on Housing

WHEREAS the provision of Housing is a high priority with many people in the Northwest Territories;

AND WHEREAS it appears that the needs of communities are not being met by the N.W.T. Housing Corporation;

AND WHEREAS the N.W.T. Housing Corporation was formed in 1972 and it now appears time for a review as to the effectiveness of the present Housing Corporation;

NOW, THEREFORE I move, seconded by the Honourable Member for Tu Nedhe, Mrs. Lawrence, that according to Rule 87(1), that a Special Committee of this Assembly be established to be named the Special Committee on Housing;

AND FURTHER, that notwithstanding Rule 87(2) that the Special Committee on Housing consist of three Members from the East and three Members from the West;

AND FURTHERMORE, that the Special Committee be mandated to review the operation of the N.W.T. Housing Corporation and report with recommendations to this Assembly at the Fall Session.

Date of Notice: February 15, 1984

Moved by: Mr. Pudluk

Date of Introduction: February 17, 1984

Seconded by: Mrs. Lawrence

Disposition:

Carried: February 17, 1984  
1984

Ruled out or Order:



Extension of Terms of Reference of Special Committee on Housing

WHEREAS this Assembly has established a Special Committee on Housing by Motion 19-84(1) to review the operation of the N.W.T. Housing Corporation and report with recommendations to this Assembly at this Session;

AND WHEREAS the Special Committee has presented a report at this Session;

AND WHEREAS the Special Committee wishes to research and analyze the major issues identified in the Report and further undertake a detailed review of the Northwest Territories Housing Corporation;

NOW THEREFORE I move, seconded by the Honourable Member for High Arctic, that the Special Committee on Housing present a final report with recommendations at the 1985 Spring Session of the Legislative Assembly.

Date of Notice: November 8, 1984

Date for Introduction: November 8, 1984

Disposition:

Carried: November 8, 1984

Lost:

Moved by: Mr. McCallum

Seconded by: Mr. Pudluk

Ruled out of Order:



## TERMS OF REFERENCE

### **The Special Committee on Housing shall:**

- a) inquire into such matters as may be referred to it by the Legislative Assembly;
- b) inquire into current problems and public concern about Housing in the Northwest Territories;
- c) in accordance with Rule 92(1) make a written report to the Legislative Assembly.

### **The Special Committee on Housing may on its own authority:**

- a) examine all matters that are under the authority of the Northwest Territories Housing Corporation;
- b) consult with members of the public, local Housing Associations and Housing Authorities, Community councils and interested groups through public hearings and other meetings, written and oral submissions and other appropriate means.

### **Conduct of Business**

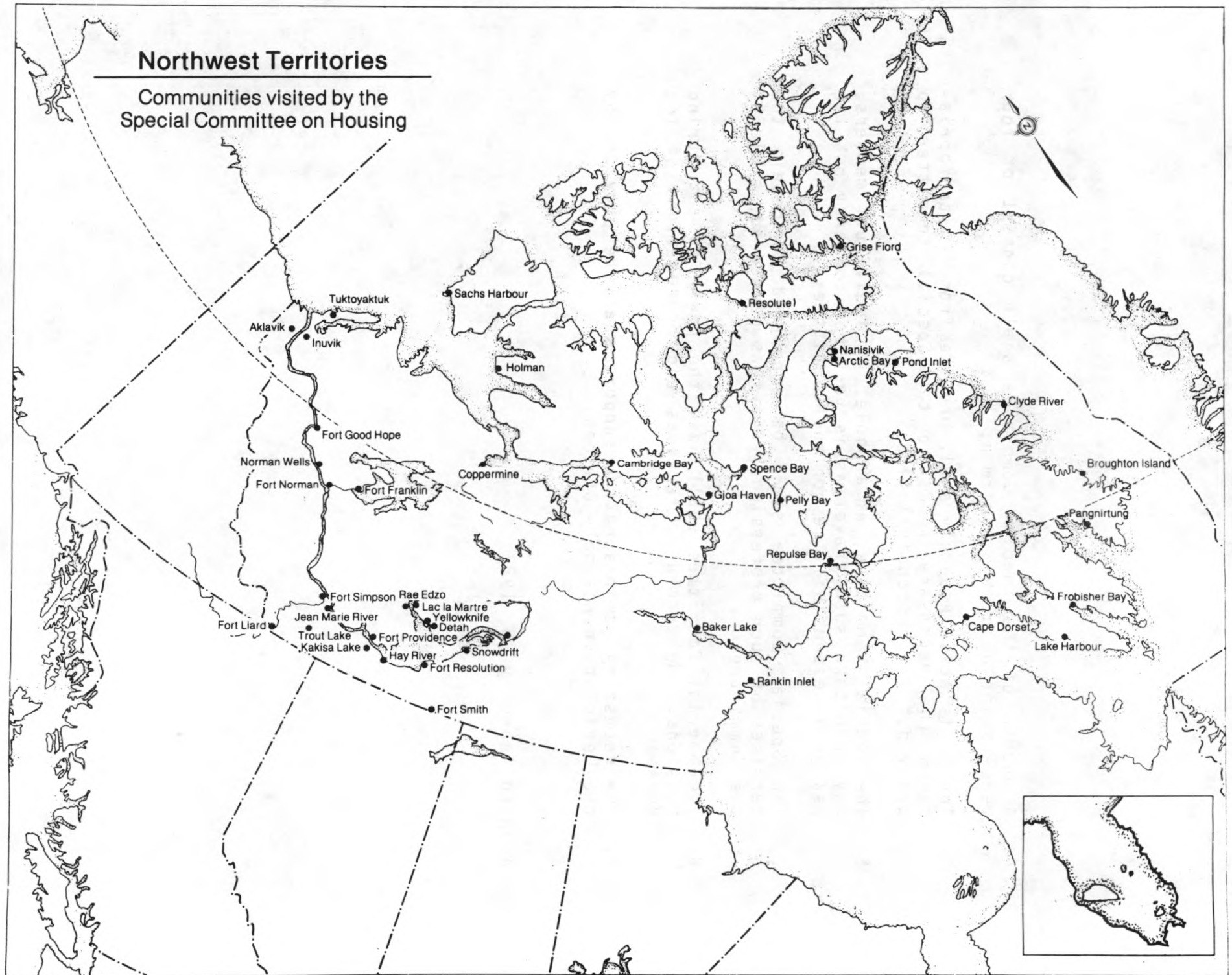
1. The Special Committee shall conduct its business in a manner approved by the Legislative Assembly;
2. The Special Committee shall in accordance with Rule 89(2) appoint co-chairmen;
3. The Special Committee shall in accordance with Rule 93(1) have the power to call for such persons, papers and records and to examine witnesses, as in its opinion are necessary to the conduct of its business;

4. A quorum of the Special Committee shall consist of four members including the Chairman;
5. The Legislative Assembly shall provide from its appropriations the necessary funds to the Special Committee to carry out its responsibilities;
6. The Special Committee, as a whole, or individual members, may undertake such travel as is required to carry out the assigned responsibilities of the Committee;
7. The Special Committee shall be empowered to retain the services of such professional staff as deemed advisable by the Committee;
8. The Special Committee shall have the power to sit during sessions, adjournments, recesses and prorogations of the House;
9. The necessary administrative support shall be provided by the Legislative Assembly Offices.

Adopted February 29, 1982

# Northwest Territories

Communities visited by the  
Special Committee on Housing



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ACKNOWLEDGEMENTS

The Special Committee wishes to thank the following people for their assistance:

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## INTRODUCTION

This Final Report of the Special Committee on Housing is the result of a comprehensive and detailed review of housing and community development in the Northwest Territories.

Since the Special Committee was formed by the Legislative Assembly in February, 1984, Special Committee members have held public hearings and numerous other meetings in over 40 communities. The Special Committee also received and reviewed some 56 written submissions. In addition to extensive consultation with staff of various government agencies, both Federal and Territorial, the Special Committee reviewed many published and unpublished documents relating to northern housing.

Early in the course of travelling to the communities, it became obvious that in the NWT, the issue of housing is inextricably linked to the issue of community development. This is the consequence of several historical factors.

Firstly, permanent communities developed only when government housing was introduced, along with education and health care services. The impact of living in imported, permanent structures of strange design and unfamiliar function on the nomadic peoples who originally inhabited the north is well documented and is discussed elsewhere in this Report.

There are now 62 communities located across the N.W.T. In the Eastern Arctic, especially, almost everyone still lives in some type of housing provided and subsidized by government. A rapidly increasing population and a continuous housing shortage has resulted in very serious problems. Inadequate housing has impacted on education, health, family life, social problems - all of which must be dealt with by the communities.

The Special Committee has been told and has seen, in every community we visited, that housing is in short supply. Far too many houses are in poor condition and too many homes are overcrowded. This situation is not only found in the remote communities - the capital city, Yellowknife, has a severe housing shortage as well.

Simply providing more money for housing will not, in the long term, wholly solve the problem. Although additional housing units are desperately needed, many people do not wish to increase their dependency on government - they want to be homeowners.

In other communities, residents have little knowledge or experience of homeownership. They are extremely frustrated with the governments limited response to their needs.

Furthermore, community representatives believe and have given testimony to the effect that the programs that are now in existence are often inappropriate and overloaded with bureaucratic regulations which are insensitive to the needs of the people.

As a result, the communities all too often view many agencies of the Territorial and Federal Governments with cynicism and mistrust. The NWT Housing Corporation, for example, is often characterized as being more interested in collecting rent than in listening to people and solving problems. And the maze of regulations and procedures is frustrating even to the most conscientious community leaders, who try to make the programs work:

"Maybe I can just give you an example. We had received some funds through the Emergency Repair Program. All summer the houses never got repaired and sometime in the winter I received a letter from someone in Yellowknife saying that they had finally awarded the contract for the supplies...So, you see, that is the kind of problem we run into in the office. We go back to the people and tell them that it is coming and we are on the bad end of the stick; and on top of that we try to tell them that it is not us that is doing that. It is somebody else.

I think changes should be made within policies because the people themselves are suffering and somebody out of the community does not realize the seriousness of it."

Mr. Don Antoine, Fort Simpson Band, August 13, 1984

Throughout the work of the Special Committee it has been noted that progress towards community development is directly linked to community control over program delivery. In most communities, local leaders are often the last to know the plans of government; yet, they are the people who are saddled with resulting problems:

"Right now, as Rankin Inlet is developing, I would like you to be aware that there is not enough houses. Rankin Inlet is getting a regional high school, and a possible influx of people who will be moving here to be associated with the building of the high school. Right now in Rankin Inlet, our people have to be prepared for this, considering once it is completed, all the other consequences that will come with it."

Deputy Mayor Kablalik, Rankin Inlet, October 10, 1984

People in the communities are not the only ones frustrated with bureaucracy. In formal hearings with the Special Committee, senior Government of the NWT officials expressed their concern at the lack of coordination between government departments and programs. While sympathy was expressed for the communities, there were considerable differences in opinion as to how programs could be delivered more efficiently. The current debate over regional community control vs. Ministerial authority seems to have many people confused.

The recommendations in the Final Report attempt to give direction to make government more responsive to the needs of the people. Overall, it is the view of the Committee that solutions rest not only in making government work. It is also believed that government works best when it allows decision making to be based in the communities as much as possible. Yet, community development in the NWT, like housing, is based on southern models that are not entirely appropriate.

The Carrothers Commission in 1966 urged that local municipal bodies should be the foundation for the development of self-government in the Northwest Territories. Following the model of municipal institutions in southern Canada, it was believed that as a tax base established on private property evolved in communities, the functions and organization of democratic government would be developed. Thus the evolution of settlements, to hamlets, to villages, to towns and cities would take place in a natural flow of events.

In retrospect, these views of twenty years ago appear limited in perspective. It is difficult to conceive of how such a programmed evolution would take place in any but the larger NWT communities. To the original peoples of the NWT, the concept of private property is foreign. Traditional beliefs make collective ownership and use of property more acceptable and easily understood.

It is also true that motivation for people to be involved in local government is not dependent on the creation of a tax base in all communities. Unique traditions for decision making, customs and historical development create models for self-government. The Northwest Territories is a developing region of Canada. It will find its own way; if allowed to do so.

The eighty-two recommendations contained in this Report are summarized in Part One of this Report. Part Two describes a proposed mechanism for the implementation of the Special Committee's final recommendations.

Part Three of the Final Report outlines the history of the development of housing in the North. As housing problems escalated, the NWT Housing Corporation was created to build more housing. It did. But problems of supply of new units created further difficulties for servicing and planning. Housing Federations were created to recommend solutions and correct deficiencies. An attempt was made to reform Public Housing programs - little was accomplished.

Part Four of the Report is an in-depth analysis of how rental and homeownership programs offered in the Northwest Territories currently operate. Also included is a commentary on the cost of living in the North and its effect on the ability of residents to pay rent and mortgages. The proposed NWT Housing Corporation rental scale revisions and the User-Pay electricity program are also reviewed, as are mortgage programs, cooperative housing and condominium legislation.

Staff Housing of Government employees is examined, concluding with recommendations on the policy of local hire benefits and the rental rate structure. The Special Committee has recommended that the Department of Health and Social Services investigate the feasibility of implementing a Shelter Allowance for social assistance recipients living in NWT Housing Corporation units.

The Minister Responsible for the NWT Housing Corporation has been requested to make available to communities the proposed Five-Year Capital Plan. In addition, The Special Committee has recommended that the NWT Housing Corporation and the Canada Mortgage and Housing Corporation participate in a cost benefit analysis of existing and proposed programs that can be decentralized to the communities, enhancing job creation and strengthening local organizations.

An extensive examination of community planning and development by the Department of Local Government and the NWT Housing Corporation is presented. Detailed recommendations are proposed to make planning more community based, rather than the "top-down" process that currently operates.

The Fifth and final section scrutinizes the organization and policies of the NWT Housing Corporation. The role of the Board of Directors and the Minister, the training of Housing Association and Authority staff and the prospects of economic development brought about by existing and proposed housing initiatives in the Northwest Territories are all reviewed. A comprehensive audit of the NWT Housing Corporation by the Auditor General of Canada is recommended.

**PART ONE: SUMMARY OF RECOMMENDATIONS**

**IMPLEMENTATION**

**PAGE**

1. That an Implementation Review Committee, consisting of the two Co-Chairmen of the Special Committee on Housing, be established to report to the Legislative Assembly on the implementation of the recommendations contained in the Final Report of the Special Committee on Housing; and that the Terms of Reference of the Implementation Review Committee shall include the following:
  - a) the Mandate of the Implementation Review Committee shall extend for the duration of the Tenth Assembly, or until such time as the Co-Chairmen determine that the recommendations of the Final Report of the Special Committee on Housing have been substantially and adequately implemented;
  - b) the Implementation Review Committee shall report to the Legislative Assembly at subsequent Sessions on the status of implementation of the recommendations of the Final Report of the Special Committee on Housing;
  - c) the Implementation Review Committee shall have unimpeded and prompt access to all documents and papers, as deemed necessary in its work.

**RENTAL PROGRAMS**

2. That the Minister of Health & Social Services establish an independent Cost of Living Inquiry to undertake and complete a comprehensive report on the extent of poverty and need in the Northwest Territories; and for this Inquiry to report back to the Legislative Assembly their findings and recommendations within one year. 44
3. That the NWT Housing Corporation complete its rental scales review as soon as possible incorporating the concerns voiced by the public and outlined by the Special Committee, and 44

That the Minister Responsible for the NWT Housing Corporation report to the Legislative Assembly in the Fall, 1985, Session on the results of the review together with proposed changes to the rental scale, in accordance with the observations made by the Special Committee.

	PAGE
4. That the Ministers Responsible for the Department of Personnel and for the NWT Housing Corporation establish an interdepartmental review of staff and public housing rents and allocations and that they report to the Legislative Assembly in the 1985 Fall Session with their findings and recommendations to correct the current programs' inequities.	45
5. That the NWT Housing Corporation develop an energy conservation program which would include: a) the implementation of the Northern Building Standard for Energy Efficient Housing in new construction and rehabilitation projects; b) the establishment of measures for conservation of fuel and electricity in rental housing; c) the introduction of incentives for the use of alternative, renewable fuels, such as wood.	47
6. That the NWT Housing Corporation develop a comprehensive energy conservation program for rental housing programs, such that tenants obtain rental credits or cash rebates for energy conserved, rather than pay a surcharge for energy consumed.	47
7. That the Minister Responsible for Housing report to the Legislative Assembly in the 1985 Fall session on the status of his "2 cents/3 cents" User-Pay program.	47

HOMEOWNERSHIP PROGRAMS

8. That the NWT Housing Corporation include, in its HAP client information package, full details on labour funding assistance programs and that NWT Housing Corporation District staff ensure, through personal follow-up, that HAP clients are kept informed of program changes as they occur.	55
9. That the NWT Housing Corporation and the CEIC formally coordinate the HAP and labour assistance funding available under the Canada Works Program, so that field staff of both agencies can more efficiently serve HAP clients.	55
10. That the NWT Housing Corporation apply consistent eligibility criteria when considering applications for HAP.	56
11. That the NWT Housing Corporation give HAP clients more flexibility in design options.	57

	PAGE
12. That the NWT Housing Corporation make block funding for HAP available to community groups.	57
13. That the Homeownership Assistance Program be made available for prospective homeowners in all communities of the Northwest Territories, including Yellowknife.	57
14. That the Minister Responsible for the NWT Housing Corporation revise the Northern Rental Purchase Program such that the units can be sold to tenants for a nominal fee.	58
15. That a "piggyback" repair package in the form of a forgivable loan be included in the sale of Northern Rental units in order to bring these units up to current health, safety and building standards.	58
16. That the eligibility criteria for the Northern Rental Purchase Program be revised so that clients in arrears can have their outstanding debt added to the proposed nominal purchase price of the unit.	58
17. That the NWT Housing Corporation develop an adequate information program to inform the public about its homeownership programs, in the official NWT languages.	59
18. That the NWT Housing Corporation develop an information package for both prospective and approved homeownership clients to fully inform them of the program requirements and to ensure consistent program delivery.	59
19. That the NWT Housing Corporation review its existing homeownership programs, together with a review of the applications currently on hand, to determine the performance of the existing programs in meeting the needs of prospective homeowners.	59
20. That the Canada Mortgage and Housing Corporation designate a budget allocation for co-operative housing for the Northwest Territories.	62
21. That organizational and proposal development funds continue to be allocated to communities who request this type of assistance.	62
22. That the Executive Council of the Government of the NWT make a request to the Government of Canada to submit a government sponsored bill to the House of Commons, as soon as possible, to validate condominium construction in the Northwest Territories.	63

23. That the Government of the Northwest Territories enter into negotiations with the Federal Government to develop a comprehensive energy conservation and subsidy program for fuel and power consumption that will be applied equitably across the Northwest Territories. 64

MAINTENANCE AND REPAIR PROGRAMS

24. That the Treasury Board of Canada review the NWT Housing Corporations request for a base adjustment to the Government of the NWT as soon as possible, so that increased funding can be made available to improve maintenance and administration of NWT Housing Corporation rental units. 66
25. That the Minister Responsible for the NWT Housing Corporation and the Department of Public Works review the possibility of having maintenance resources shared in communities where both the Corporation and the Department of Public Works carry out maintenance functions. 66
26. That the NWT Housing Corporation and the Government of the NWT enter into negotiations to contract the repair and maintenance of staff housing to local Housing Associations/Authorities where it is economically practical and advantageous to the community and increases the efficient use of government resources. 66
27. That the NWT Housing Corporation, upon approval of local Housing Associations, utilize the Rehab Program to convert 3 bedroom units into 2 bedroom units, which are required in many communities. 67
28. That the NWT Housing Corporation seek program changes to fund alternatives for the upgrading of Northern Rentals, so that repaired units could be sold to tenants. 67
29. That the NWT Housing Corporation seek increased funding under the E.E.R.P. to provide very basic improvements in health and safety conditions of Northern Rental units until such time that funding for major rehabilitation or replacement can be secured. 67
30. That the NWT Housing Corporation develop a strategy to bring all its rental units up to minimum health and safety standards within 5 years. 68

	PAGE
31. That the NWT Housing Corporation develop a policy whereby Housing Associations could grant rental credits to tenants who undertake maintenance work on their units.	69
32. That CMHC retain a full-time RRAP Coordinator on staff in its Yellowknife office to promote and ensure delivery of the RRAP as required throughout the NWT.	70
33. That residents of <u>all</u> NWT communities, including Yellowknife, be <u>eligible</u> to apply for the RRAP.	70
34. That CMHC continue to seek suitable delivery agents in communities until such time as a RRAP coordinator is hired.	70
35. That the Minister of Health and Social Services establish a departmental inquiry into the housing conditions of NWT elders and report back to the Legislative Assembly in the 1986 Winter Session.	70
36. That the NWT Housing Corporation and the Department of Health and Social Services together develop a strategy to deliver an enriched version of the Senior Citizens (Home) Repair Program to those in need of such assistance.	70
37. That the NWT Housing Corporation make block funding available under the Senior Citizens (Home) Repair Program, so that community groups could deliver and coordinate the program to a number of elders, as required.	71
38. That the Minister Responsible for Housing initiate development of a repair program to upgrade privately owned homes to a minimum health and safety standards, in <u>all</u> NWT Communities, including Yellowknife.	71
39. That the NWT Housing Corporation and CMHC consolidate repair programs such as the Rural Rehabilitation Assistance Program, the Enriched Emergency Repair Program and the Senior Citizen (Home) Repair Program; and to locate and support community delivery agents for these services to the public.	71

**GOVERNMENT OF THE NORTHWEST TERRITORIES STAFF HOUSING POLICY**

40. That the Department of Personnel set a reasonable target date for moving Government of the NWT employees out of NWT Housing Corporation units, to be coordinated with invitations to the private sector to provide new staff housing on a guaranteed lease basis.	74
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41. That the Government of the NWT urge the Government of Canada to provide staff housing for federal employees who now occupy NWT Housing Corporation rental units.	74
42. That the Government of the NWT Department of Personnel and Federal Government Departments enter into lease agreements with the Housing Associations/Authorities, for units occupied by Government of the NWT and Federal employees.	74
43. That all Territorial Government employees be treated with equality; and that employees living in Housing Association/Authority units receive the same allowances for housing as other employees.	74
44. That the Executive Council complete its review of staff accommodation policy addressing and correcting the rates charged for leased accommodation in market communities; and that employees living in staff accommodation be allocated units that are adequate to their family size and entitlement.	75

#### HOUSING AND SOCIAL ASSISTANCE POLICY

45. That the Minister of Health and Social Services review the housing allowances currently paid on behalf of social assistance recipients and investigate the feasibility of establishing a Shelter Allowance and that the Minister report his findings and conclusions to the Legislative Assembly in the Fall, 1985, Session.	78
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#### PLANNING AND DEVELOPMENT OF COMMUNITIES

46. That the Government of the NWT review the feasibility and cost-effectiveness of utilizing National Housing Act Section 42 funding for land assembly projects.	85
47. That the policy governing the proposed Municipal Land Development Revolving Fund contain the following principles:	86
a) the fund should have sufficient funding to be able to meet the demands placed on it;	
b) the interest charged on loans made from the Revolving Fund should be low enough to prevent interest charges from inflating the resale cost of unsold lots developed under the scheme;	
c) the repayment of loans made from the Revolving Fund should be deferred until the land so developed is sold;	

- d) the municipalities should be allowed some flexibility in the repayment of loans made from the Revolving Fund, in order to assist individuals to purchase land.
48. That where a municipality has demonstrated administrative capability in the areas of community planning and land development, that the Government of the NWT, if requested, turn over all lands within the community's designated boundaries to the municipality. 86
49. That communities be continually updated in advance with regard to NWT Housing Corporation building intentions, (ie. capital plan), so that proper planning can occur. 86
50. That the Minister Responsible for Local Government establish a timetable for coordination of land development activity to be agreed upon and adhered to by all participants, with responsibilities clearly outlined and delegated; accountability should be likewise assigned. 86
51. That Housing Associations/Authorities be formally included with community councils in community planning, especially when land is sought for new NWT Housing Corporation public housing construction projects. 87
52. That the Needs Study Program be reviewed as soon as possible by consultants expert in the field; and that the Minister Responsible for Housing make a full report to the Legislative Assembly on any revisions consequently implemented by the 1985 Fall Session. 94
53. That the Needs Study and subsequent allocations should have a documented rationale explaining how data is collected and analyzed and for what purpose housing units are allocated; for example, to alleviate overcrowding, to encourage economic development, etc. 94
54. That communities must be given the opportunity to participate in defining their own housing needs beyond the current Need Study process; and that their agreement with the conclusions of the analysis should be a prerequisite to any allocation of new housing. 94
55. That the housing requirements of all N.W.T. communities should be determined. 94

	PAGE
56. That the Minister Responsible for the NWT Housing Corporation ensure that the NWT Housing Corporation proceed with a multi-year capital allocation plan reflecting the <u>actual housing needs</u> of all NWT communities.	98
57. That the Minister Responsible for Housing make available to the communities the NWT Housing Corporation Five-Year Capital Plan upon approval of the Capital Plan by the Executive Council.	99
58. That the NWT Housing Corporation and Canada Mortgage and Housing Corporation create a coordinated approach to provide homeownership, mortgage and rental programs throughout the Northwest Territories that complement each other, are acceptable to the public and encourage the development of the private sector; these developments should originate from suitable Need and Market studies that reflect actual conditions in small and large communities.	99

#### TRAINING

59. The Department of Education and the NWT Housing Corporation develop a property management training program for Housing Association Secretary-Managers.	102
60. That the Departments of Economic Development and Education investigate the feasibility of utilizing EDA funding to provide regional construction training programs as demand requires.	103
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#### THE NWT HOUSING CORPORATION

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## PART TWO: IMPLEMENTATION

At the February, 1984, session of the Legislative Assembly of the Northwest Territories, a Special Committee of the Assembly was formed to review the state of housing in the North, the operations of the NWT Housing Corporation and to report back to the Legislative Assembly.

At the Fall Session in 1984, the Interim Report of the Special Committee on Housing was tabled to allow the Government of the Northwest Territories to implement immediate measures to alleviate hardship by responding to the most urgent concerns brought to the attention of the Special Committee.

This Final Report is the result of comprehensive reviews of the issues raised in the over sixty formal hearings held, forty communities visited, numerous written submissions received and over 1,000 people voicing their views. Consultation with Federal and Territorial government agencies has been thorough. And the NWT Housing Corporation policies, programs and activities have been scrutinized.

The Special Committee has made every effort to be thorough and accurate in its research and response to public concerns. In the course of our work, numerous requests for information were made of various government departments, associations, and, of course, the NWT Housing Corporation.

Access to information is vital to the work of any legislative committee. While the Special Committee generally received good cooperation from the government and other agencies, there were difficulties encountered with the NWT Housing Corporation. The procedure used to transmit information from the NWT Housing Corporation to the Special Committee resulted in many delays; and some items were never received.

As this Report went to print, the Special Committee had not yet received the following items:

1. The NWT Housing Corporation Board of Director's response to the Special Committee's Interim Report;
2. The Minister of Housing's response to the Special Committee's Interim Report;
3. The NWT Housing Corporation five-year Capital Plan.

The Special Committee had requested formal responses to the recommendations contained in the Interim Report, in order to solicit input from the NWT Housing Corporation Board of Directors and the Minister. We regret that we are unable to include their responses in our Final Report.

The Special Committee also wished to comment on the NWT Housing Corporation's five-year capital plan. However, we were refused access to that item on the grounds that it was an "unapproved, working draft" - yet this "draft" has been circulating within the Department of Local Government and the Capital Planning Secretariat for months.

The Special Committee did receive assistance from several NWT Housing Corporation staff members, however, and their cooperation is gratefully acknowledged.

The Special Committee has concluded that the NWT Housing Corporation lacks consistent direction, in that many of the programs offered to the public are out-dated, inappropriate, and fail to accomplish the NWT Housing Corporation's stated objectives. NWT Housing Corporation policies are not applied consistently throughout the Districts, and some are not applied at all. In addition, a formidable debt load and increasing operating costs threaten to eliminate opportunities for fundamental reforms within the NWT Housing Corporation. What is required is a change of direction.

The recommendations of the Final Report are so designed to motivate the Governments of Canada, the Northwest Territories and the NWT Housing Corporation to better serve the public. Many recommendations can be carried out immediately; while others require inter-agency coordination, program and policy revisions and the commitment of dedicated people determined to get the job done.

The Special Committee has concluded that the structure of the NWT Housing Corporation should be retained at this time. With the implementation of the recommendations contained in this report, the Special Committee considers that the existing corporate structure will have better direction, and can function more efficiently to better serve the public and achieve the NWT Housing Corporation's stated objectives.

An implementation mechanism is essential for the successful outcome of the sixteen months of work that led up to the publication of this Final Report. The Special Committee considers that it has the responsibility to ensure that the recommendations contained in this Final Report are implemented properly and as soon as possible. The Special Committee therefore recommends:

1. That an Implementation Review Committee, consisting of the two Co-Chairmen of the Special Committee on Housing, be established to report to the Legislative Assembly on the implementation of the recommendations contained in the Final Report of the Special Committee on Housing; and that the Terms of Reference of the Implementation Review Committee shall include the following:

- a) the Mandate of the Implementation Review Committee shall extend for the duration of the Tenth Assembly, or until such time as the Co-Chairmen determine that the recommendations of the Final Report of the Special Committee on Housing have been substantially and adequately implemented;
- b) the Implementation Review Committee shall report to the Legislative Assembly at subsequent Sessions on the status of implementation of the recommendations of the Final Report of the Special Committee on Housing;
- c) the Implementation Review Committee shall have unimpeded and prompt access to all documents and papers, as deemed necessary in its work.

**PART THREE:**  
**HOUSING AND COMMUNITY DEVELOPMENT IN THE NORTHWEST TERRITORIES**

**HISTORICAL BACKGROUND**

Archaeological records have established human occupation of the present-day Northwest Territories as far back as 25,000 years ago. The ancestors of the Dene and Inuit have inhabited their respective areas of the Northwest Territories for a least the past 2,500 years.

The arrival of Sir Martin Frobisher in southern Baffin Island in 1576 marked the beginning of ongoing European contact with the Inuit. Frobisher and other early visitors, including Henry Hudson, Robert Bylot and William Hudson, all remarked on the Inuit's amazing ability to survive in the inhospitable, (to the British, at least), climate.

The snowhouse, or igloo, was constructed in winter. The igloo provided a quickly-built shelter, ideally suited for a hunting people. In summer, skin tents were erected.

The Dene, as a hunting culture, also required shelters that could be easily constructed. Caribou skin tents were usually the preferred shelter, but bark shelters were also constructed. Log building is a relatively recent skill, being more suited to a non-mobile life-style. Today, log homes are commonly seen in Western Arctic communities.

Thus, prior to European contact, Dene and Metis lived independent, self-sufficient lifestyles. As hunters and gatherers, their shelters were easily constructed using materials found at hand. Although hunting and fishing camps were established in prime locations at certain times of the year, communities and permanent houses, as we know them today, did not exist.

The problem of community development and the shortage of adequate housing found today in the Northwest Territories is not the result of an overnight phenomenon that can be attributed solely to rising population. It is a consequence of historical, social-political development and economic factors that have affected the whole of the Northwest Territories over the last fifty years.

Between 1925 and and early 1930's the demand for fur to trim fashionable garments in Europe and North America was great; prices paid to Northern trappers for white fox, especially, were high. Trade with the Hudson Bay Company flourished, with the traders encouraging native people to shift away from the traditional subsistence economy to that of one based on trade paid for highly valued furs and skins. Although the cycle of nomadic

seasonal movement continued, more and more families became dependent on trade goods for subsistence. The effect of the 1930's world depression was felt into the 1940's where large groups of native people suffered deprivation. For example, many Inuit in the central Arctic and Keewatin died from starvation, due to a shortage of game and a lack of trade goods. Reports written by missionaries and government agents of the day document the extreme poverty and hardships suffered by both Dene and Inuit. Canada discovered its own Third World.

During the Second World War, the United States Army, in conjunction with the Canadian government, built airstrips and roads in the Western and Eastern Arctic. Fearing a Japanese occupation of Alaska, the Allies erected an oil pipeline along the Canol Road from Norman Wells on the Mackenzie River to Whitehorse in the Yukon; it cost \$134 million and never operated. In the post-war period, between 1955-1957, a chain of radar stations and airfields with support systems of fuel depots, electrical generators and housing for staff was built. The intention was to create a Distant Early Warning Line (DEW line) in order to detect assumed Soviet Union air attacks over the Circumpolar region against Canada and the United States. This Cold War project of the 1950's created a line of stations stretching 5,000 miles along the Arctic coast from Point Barrow, Alaska to Cape Dyer, Baffin Island; construction required the airlifting of about 25,000 men and one-half million tons of equipment.

By the 1950's the northern fur economy had virtually collapsed. This coincided with the construction of airfields and the radar stations. As a result, people were attracted to the building sites to obtain waste materials and other commodities. They built primitive houses and obtained casual employment as labourers, janitors, rough carpenters, painters, and other semi-skilled, male oriented occupations. Whereas in the past, native people were discouraged by traders, police and government agents from being permanently settled in communities, because they were needed to hunt and trap for food and fur, now they were encouraged to stay on the sites, as they provided an inexpensive source of labour.

The Roman Catholic, Anglican and Moravian churches established missions across the NWT; and the first health care and education services were offered. To many people faced with a depressed economy of traditional hunting for exchange of trade goods, the wages of a labourer offered greater security than that which could be provided by the nomadic life of hunting and trapping. Consequently, work for wages came to be seen by some as more beneficial, in terms of acquiring material well being. Many others continued to pursue the traditional lifestyle.

Canadian government social policy toward native people in the North was never clearly defined, but proceeded after World War II on the assumption that the nomadic hunting and trapping life was, for all intents and purposes, over. It was thought that the aboriginal people had no alternative but to conform to a wage based economy.

In response to the urgings of missionaries and others to provide the basic necessities of life to the Dene and Inuit, the Federal government built subsidized housing for native people in settlements across the Arctic. Schools were erected and teachers recruited from southern Canada to teach English and basic education to children and adults. Homemaking, child care, and occupational training took place and regular health services were provided along with old age pensions and welfare benefits.

In turn, the Hudson Bay Company expanded consumer food and dry goods stores, where people could purchase a broad range of products. Throughout the Circumpolar region, in the 1960's, aboriginal people moved from camps to organized settlements to live in houses and work for wages and/or receive welfare. It was at this time that the Canadian federal government introduced the concept of local government to the North.

#### INTRODUCTION OF HOUSING ASSOCIATIONS

Above the treeline, as the Inuit moved into newly erected government houses in the settlements, government agents urged the formation of Housing Associations. Housing Associations find their origins in the Council Housing projects built in England. Tenant representatives were appointed by the government, and later elected by other tenants, as directors responsible for handling the day-to-day affairs of tenant selection, general maintenance work and rental payment administration under the supervision of the government agent who was assigned the task of guiding and training the directors and staff in housing administration. However, government viewed the vehicle of the Housing Association as an instrument to instruct native people in the rudiments of co-operative, democratic decision making, in the Canadian model. This experiment in community development had mixed results.

The introduction of southern style housing in the late 1950's demanded a tremendous adjustment by native northerners. The first houses introduced were the now infamous "Matchboxes". With an area of less than 300 square feet, and with virtually no insulation, these units provided little more than basic shelter. The inevitable overcrowding and lack of sanitary facilities led to health problems, which affected the ability of children to cope with the introduction of structured schooling.

In May, 1966, a grant of \$169,000 was received by the Department of Northern Affairs from CMHC to finance the initial stages of the Adult Education program designed to provide Inuit families with an understanding of the Eskimo Rental Housing Program and the implications it had for the lives of the people. It included the hiring of Adult Education specialists for the Frobisher Bay, Fort Smith (Cambridge Bay region) and Rankin Inlet areas whose job was to discuss and explain, in Phase I, the complex matters of tenant-landlord relationships, the rental system, the provision of water, fuel and sewage pick-up services, the house buy-back arrangements under the program and the role and functions of the Housing Associations.

Phase II of the program was aimed primarily at Inuit women. It was designed to assist families to adjust to living in new homes. It included guidance and training in budgeting, shopping, health, sanitation, nutrition, child care, safety in the home, the care and maintenance of the home and described simple do-it yourself housing repair tasks.

Phase III covered the training required to develop Housing Associations as decision making bodies.

In the first phase of the program, initiated in the summer of 1966 in nine settlements in the Frobisher Bay/Baffin Island area, 475 families were contacted. In October, 1966, a further five settlements in the Baffin and Keewatin areas were introduced to the program.

Educators used basic community organization approaches, including public meetings, group meetings and extensive home visits. The materials used included pictures and slides of housing in different settlements under various stages of construction. Twenty-two young interpreters were hired. Translated materials, such as leaflets and floor plans, were produced and distributed.

By January, 1967, the Adult Education section of the Department of Northern Affairs in Ottawa took up the second phase of writing, revising, translating and distributing housing education kits, slides and photographs to field workers, including six home economists. This effort was designed to enable aboriginal people to gain an on-the spot understanding of the rental-purchase housing program. In the 1967 Annual Report of the Commissioner of the Northwest Territories, it could be stated that "despite the difficulties involved in social and cultural change, the housing education program has been more successful than anticipated".

In 1968, the Northern Rental Housing program Phase I and II were introduced into the Mackenzie Region of the Western Arctic. Eleven community coordinators worked with fifty-five local leaders introducing the program to nearly 1,500 families. Meanwhile, in the Eastern Arctic, the last phase of the housing education

program was introduced. Full-time home management specialists were recruited to consolidate what had been learned and "terminal courses" were introduced in 1969 to wind down the program.

On April 1, 1970, all the Eastern Arctic housing stock of Northern Rental Purchase units came under the control of the Housing Division of the Government of the NWT Department of Local Government. Rental collections, property management and maintenance were coordinated by the Housing Division through Regional offices of the Department of Personnel and Public Works.

Also included under the Department of Local Government jurisdiction was the 1969 Territorial Rental Housing program, with 106 units primarily in the Western Arctic. It was based on the Federal Northern Rental program, but open to all ethnic groups. In total, the Housing Division was responsible for approximately 2,000 government-owned rental units throughout the NWT in 1970.

During that same year, Housing Authorities were introduced in the municipalities of Fort Smith, Hay River, Yellowknife and Inuvik to take advantage of National Housing Act-sponsored Public Housing programs to build apartments, single family dwellings, and a Senior Citizen complex. Funding was based on a tri-partite agreement (Section 35A of the NHA) whereby CMHC (75%) the Government of the Northwest Territories (15%) and the Municipalities (10%) cost-shared in the capital costs, operating losses, surpluses or subsidies. Municipalities later withdrew from their financial contributions.

In 1969 the Department of Local Government's Housing Division also undertook three Need and Demand studies for Public Housing, single persons and senior citizens accommodation projects in Hay River, Fort Simpson and Fort McPherson.

#### POLICY AND PROGRAM PROBLEMS

In order to address the poor living conditions endured by native northerners, the Federal government provided southern style housing, education, health services and government. The impact of community life and the introduction of so many unfamiliar services and policies in a very short time proved to be overwhelming. Nor were native people as eager to abandon their own traditional lifestyles and culture as quickly as well-meaning government officials may have originally assumed. Colonialism and its inevitable, paternalistic policies and institutions characterized early community development in the NWT and housing policy was not exempted:

"No real effort was made to give the northern natives control over their lives, and almost all programs were in the hands of the "Big Three" -- missions, Hudson's Bay company and RCMP, each of whom had its own purpose for being in the north...In 1939 Soviet Inuit were piloting aircraft, Alaskan natives were running business, and Greenlanders were electing their own people to their own councils. Canadian Indians, Metis and Inuit in the North in that year were without a voice in economics, religion, education, laws, or politics. From proud people who rather pitied the clumsy foreigner they had become bewildered bystanders, an embarrassment to a government that did not know just what to do next."

Keith J. Crowe, A History of the Original Peoples of Northern Canada (Montreal, 1974),

The first basic homes supplied - the one-room "matchbox" houses and Anarak units - were small, without running water or toilets and heated by an inefficient oil cookstove and/or space heaters. Often hastily built and not designed for Northern conditions, these homes were usually over-crowded and inadequate, necessitating constant maintenance and repair. Money was short and as Deputy Commissioner Parker reported in 1970 to the Territorial Council: "We have suffered from austerity...we have not had as much money as was originally made available in that area."

Yet, as the supply of homes and money for maintenance continued to be limited, the demand for housing increased. It was not unusual for elders and camp leaders to exercise their traditional authority when allocating available housing to families in the community - the long, tenant applications lists were often ignored or over-looked.

Directors of Housing Associations in the East were compelled to hire maintenance men whose skills were poor due to a lack of training. Rental payments grew in arrears as people moved in and out of the wage economy. While development officers wrote administration manuals and held bookkeeping workshops for Secretary-Managers, Directors and tenants became more and more disillusioned with the growing imposed complexities of programs, rules, regulations, financial statements and income tax forms - all of which were further complicated by the predominant use of English over local dialects. Older homes began to deteriorate and maintenance materials arriving on barges or on sealift were often damaged, in short supply or inadequate; skilled tradesmen were few or too expensive to hire to do the necessary maintenance work.

In the Western Arctic, where rental programs were introduced later, local people were encouraged to move out of the houses that they had built themselves to newer rental homes at low rental rates. In many cases, these older homes, often made of logs, were bulldozed to clear sites for replacement housing. As Public Housing was introduced, rents geared to household incomes were enforced. Rent assessments rose, allocation of new units were limited and tenants believed they had been tricked into giving up their independence in order to be governed by arbitrary rules of the federal and territorial governments.

"As was mentioned before, there has always been a problem with housing, especially since the territorial government got involved in it. If you look back to before the government moved North, I mean everybody owned and built their own houses and had responsibility for everything they decided. They did it for themselves. About 1968 or 1969, there was a big push by the government to change everything around...I guess it involved everything, but it also involved housing. There was a lot of time and money spent introducing a new rental program of housing. At that time people were promised that they would pay a couple of bucks a month and they would have a lower rental unit, that is what they were called. So that was a pretty good deal, you get all your electricity and fuel oil plus the house for two dollars a month.

Along with that a lot of the old houses were destroyed. At that time there was no Council, nothing to advise the territorial government. They did not recognize the band councils. They did not talk to them. So a lot of the houses were destroyed. Some of them were pushed over with cats. Some of these people still do not have houses. Their houses were never replaced. Also they would have no choice but a rental house. That means their houses were taken away from them and then they would have to rent from the people who took them away."

Mr. George Barnaby - Fort Good Hope Public Hearing  
July 10, 1984

Compounding the difficulty people had in adjusting to the new housing program was the fact that many communities had to function with three, often conflicting, administrative bodies: the local Housing Association or Authority, the Band or Tribal Council and a Settlement or Community Council.

In addition, it should be noted that in the 1960's, other types of housing programs and experimentation took place. Cooperative house building projects organized and funded by local people took place in Frobisher Bay (Apex) and Inuvik.

Meanwhile, the Territorial government restricted its activities to two mortgage programs (1961-1962) to assist low income families with an \$8,000 first mortgage (1966 level) and a \$2,000 second mortgage for Northern residents who had a National Housing Act, Canada Mortgage and Housing Corporation, (CHMC), approved mortgage. In the 1966-1967 fiscal year, 76 mortgage applications primarily to Western Arctic households, amounting to \$512,925 in loans had been processed. However, in a survey carried out in the Mackenzie District in that year, it was revealed that low income families could not afford repayment schedules of the NHA or the Territorial mortgage programs. In addition, in the Mackenzie a "drastic shortage of adequate housing" was reported.

Federal Government activity in the 1960's centered primarily on the provision of housing under the Eskimo Rental Housing Program, inaugurated in 1965. The Treasury Board Minute instituting the new, five-year program noted the poor conditions and serious shortage of housing in Inuit communities. Also mentioned were the effects these conditions had on health and education.

In response to the complexity of housing problems, the Territorial Council in 1967 proposed an Ordinance to Promote the Development of Housing and Living Conditions in the Northwest Territories which would enable the Commissioner to enter into agreements, on behalf of the NWT, with CMHC to promote housing projects, land assembly and urban renewal schemes. The Commissioner was convinced that: "We cannot make any moves towards transferring the Government of the Northwest Territories (from Ottawa to the NWT) until the Housing Development Ordinance is passed." It was approved by the federal government, and the Territorial government moved to Yellowknife. Projects went ahead with "the belief that these programs should assist economic development both by providing a fund to finance adequate housing and by encouraging the use of local resources wherever feasible".

In accordance with the objectives of the newly formed Government of the NWT, the program was revised in 1968 as the Northern Rental Housing Program and thus made available to all northerners. The Department of Indian Affairs and Northern Development, (DIAND), administered the program until 1968-69, when it was transferred to the Government of the NWT.

The stated objective of the Northern Rental Housing Program was to provide adequate, affordable accommodation to all northerners who required it. Features of the program included tenant participation in administration of the units, including formation of local Housing Associations. Adult education courses were to be offered, as outlined above. All services and maintenance were to be included.

In addition to this policy, which had been formulated by DIAND, the Government of the NWT inherited a totally inadequate funding level with which to maintain and operate the Northern Rental units.

Until 1973, and the establishment of the NWT Housing Corporation, DIAND continued to have input into allocations of housing in the Northern Rental Program. Within the Government of the NWT, five different departments were involved in various aspects of housing delivery and administration. The confusion this created was documented by the 1972 NWT Task Force on Housing.

#### THE N.W.T. COUNCIL TASK FORCE ON HOUSING

When the Northwest Territories Council Task Force on Housing was formed on June 12, 1971, by order in Council, the primary goal was to encourage and promote the availability of adequate, reasonably priced, serviced housing in order to create a foundation for the economic, social and political development of the Northwest Territories.

Evidence gathered by the Task Force members in 1972 clearly revealed that existing housing was overcrowded and inadequate.

The Task Force Report contained four major recommendations:

- 1) That the responsibility for all housing programs be placed under the control and policy direction of the Government of the Northwest Territories;
- 2) That a Northwest Territories Housing Corporation be established and headquartered at Yellowknife, to create, coordinate and give direction to housing programs, based on need, environment, and research, so as to make available an adequate standard of housing to all residents of the Northwest Territories;
- 3) That incentive programs be developed to encourage and facilitate home ownership;
- 4) That the Government of the Northwest Territories subsidize to a base rate the cost of domestic utilities in areas of the Northwest Territories where these rates are excessive.

Even though rental housing was required, the Task Force emphasized "that any new programs developed must be based upon making available the opportunity and method through which an individual may own his home rather than being locked into a rental program". The Task Force's report also encouraged the adoption of four homeownership initiatives.

With regard to rental programs, the Task Force recommended that "where programs are utilized which incorporate a rent-to-income principle, rentals charged should be on one basic open-ended sliding scale which takes into consideration the cost of living in the North". The 1972 Task Force report went on to describe the discrepancies in rents assessed under the Northern Rental Program and the Public Housing program. The members noted that "these different practices are resulting in severe conflicts at the community level".

The administrative responsibilities that had been distributed between various Government of the NWT Departments and the Federal Department of Indian Affairs and Northern Development should be consolidated within one organization, the Task Force Report argued. A Crown Corporation was thought to be the best means of accessing National Housing Act funding.

#### THE FORMATION OF THE NWT HOUSING CORPORATION

In 1973, the NWT Housing Corporation was created to carry out the Task Force recommendations. Equipped with a small staff in Yellowknife and a handful of field workers placed within the regions, the Housing Corporation concentrated its activities on alleviating the serious overcrowding problems and the inadequate maintenance of the existing Northern rental units inherited from the Federal Government in poor condition. From 1974 the primary motivation of the NWT Housing Corporation has been to exploit National Housing Act funds, through Canada Mortgage and Housing Corporation, to build as many Public Housing rental units as possible, in order to meet the demands of overcrowding and to replace the inadequate Northern Rental units.

In the regions the Housing Corporation consisted of a few individuals who were now responsible for the logistics in delivering and siting new houses, for overseeing the repair and maintenance programs (formerly carried out by Territorial DPW) and for training and developing the financial management of Housing Associations.

Under the National Housing Act cost-shared agreements with CMHC, a considerable number of single-family, pre-fabricated Public Housing units were built in small settlements across the NWT. In the larger communities row-housing and semi-detached, stick-built designs were also constructed. The total of new single family, semi-detached and multiple units constructed between 1974 and 1980 was un-precedented in the Northwest Territories:

1974 = 162 units in 19 communities  
1975 = 205 units in 21 communities  
1976 = 274 units in 27 communities  
1977 = 221 units in 23 communities  
1978 = 157 units in 15 communities  
1979 = 216 units in 21 communities  
1980 = 108 units in 16 communities

Due to the delivery of 10, 20 or 30 units to a community, site planning, servicing and foundation construction were often inadequate. Late deliveries by sealift resulted in damages, poor sealing in erection and haphazard controls and inspections. Houses were not specifically designed for existing sites and the packaged, "one size fits all" building mentality prevailed, as it was "cost-effective" and easy to do.

The impact of this accelerated building program was substantial, improved conditions did result. Although the housing shortage was being alleviated, new problems resulting from the rapid influx of housing were created.

The weakness and errors in the NWT Housing Corporation Construction program which left Housing Association to correct deficiencies, the public resistance to the higher rents attributed to public housing rent-gear-to-income rental scales; the administrative complexity at the local community association level to administer both the Northern Rental Purchase program (lower rents with fixed maximum ceilings for rent) and the Public Housing programs (higher rents and no ceilings); maintenance problems in new homes and the lack of suitable, qualified staff to maintain and repair the more technically sophisticated homes with oil-fired furnaces, electric hot-water heaters, pumps and ranges - all came to a head in the Legislative Assembly.

In the Legislative Assembly Session of February 1976 the member from the Baffin, Mr. Pearson (a member of the 1972 Housing Task Force) recommended the following:

"I think the time is now coming when people are beginning to question the quality of housing, the type of housing, the style, the design of housing that is available and they are beginning to look for something better. There is tremendous confusion across the Territories and there is confusion in this chamber even today, amongst Members as to what role and what responsibility the Housing Corporation has. Last year in Frobisher Bay, for example, there were tremendous problems with houses. I discussed yesterday very briefly the Moshe Safdie scheme which was proposed and whilst the government was considering building 81 units of government staff housing, the housing association of

Frobisher Bay said "Why are you building these fancy houses for 81 southern Canadian families in Frobisher Bay? I mean, why is not the whole community incorporated into this thing? Why should they be singled out or why should we be singled out?"

What this motion does very simply is it asks the Housing Corporation to examine this whole aspect, look at the whole area of housing across the Northwest Territories, all the programs and come back to us in September with some suggestions or even a blueprint of what it considers to be the best solution to the housing problems in the Northwest Territories. It has not done that. We have not asked it to do that. We have simply said, "Get out there and clean up the mess, fellows. We want at least 500 houses every year. Go to it." That is fine as a stop gap measure, but I think we must look ahead, we must plan.

The kind of thing that the Housing Corporation is up against is the same kind of thing as we see in this budget. We are dealing in one year at a time. That is hardly long range forecasting. It is hardly long range planning. Surely in this day and age we should be able to sit back and take a look at development in the Northwest Territories on every possible front and say "That is the kind of way we want to go for the next five years or the next ten years". This one year at a time ad hoc, stick your finger in the dyke, is not an approach that is practical. It is an approach that is very expensive indeed and is not serving anybody's needs. So my motion Mr. Chairman, is there. I feel it covers all of these areas and I urge Members to let us give the Housing Corporation this responsibility to develop an integrated housing policy."

(Hansard, 12 February 1976)

The motion was carried and the next year, February, 1977, the Legislative Assembly unanimously approved An Integrated Housing Policy for the Northwest Territories which had been approved by the Board of Directors of the NWT Housing Corporation.

Incidentally, another nine years would pass before the NWT Housing Corporation would initiate the development of a five-year capital plan that could be coordinated with the overall Government of the NWT capital planning process.

## INTEGRATED HOUSING POLICY

This policy, developed by the Research section of the NWT Housing Corporation was a five year plan (1976/77 - 1981/82) designed to alleviate housing shortages with a strong emphasis on homeownership subsidy assistance and by making use of National Housing Act programs wherever applicable. It also recommended changes in government staff housing benefits; encouraged the financing of non-profit and cooperative housing groups; the funding of local Housing Associations to complete housing requirement surveys; the transfer of subsidy support for Social Assistance recipients in Public Housing and Northern Territorial Housing to the Department of Social Development, so that these costs could be shared under the Canadian Assistance Plan; and a new rent-to-income scale was proposed.

In order to fund these proposals a Treasury Board submission was prepared, discussions were entered into with government agencies and departments to integrate development plans. In addition, conference-workshops on a regional level were scheduled across the Northwest Territories.

However, in 1978, there was a senior management change in the NWT Housing Corporation. Funding by way of the Treasury Board submission was not achieved. And the goal to integrate programs with other agencies, including Territorial government departments, was not pursued. Nevertheless, some changes did come about.

In April, 1978, the Public Housing Rental Scale was revised with Cost of Living zones allowances deducted from gross income calculations and rents assessed at 25% of the balance. Maximum rent ceilings, set in some communities, were lifted and the Rental Scale maximums were increased in other locations to concur with government of the NWT staff rents. In those communities, especially the larger Western Arctic municipalities, where a private housing market existed, rent ceilings were eliminated and left open-ended to encourage higher income households in Public Housing to choose homeownership options.

These reforms did not alleviate the inconsistencies between staff housing and public housing rents. Nor did they address the issue of whether Public Housing rents were affordable in relationship to the cost of living. Rental tenants, especially working families with wages, did not flock to homeownership programs, as the cost of utilities continued to prove prohibitive.

## 1979 TASK FORCE REPORT

Following the 1972 Report of the Task Force on Housing, a series of internal Housing Corporation and inter-agency committees were formed to develop and carry out policy goals. The most important

planning document, which in effect became the NWT Housing Corporation development plan, was the Task Force Report of 1979. This report was the work of the Canada Mortgage and Housing Corporation (CMHC) and the NWT Housing Corporation with the participation of the Government of the NWT, the Inuit Non-Profit Housing Corporation and the Mackenzie Valley Housing Association (Dene).

This report was updated in 1982 and published as Housing and Northern People: Directions for the Northwest Territories in the Next Decade. Approved in principle by the NWT Housing Corporation Board of Directors and adopted by the management of the NWT Housing Corporation, with the support of CMHC, this report became the plan to be carried out by the NWT Housing Corporation in the 1980's to serve the people of the Northwest Territories.

Senior management changes at the NWT Housing Corporation and the introduction of Ministerial authority resulted in many of the Task Force recommendations being revised or shelved. Nevertheless, the impact of the original 1979 report was substantial. One of the Report's major recommendations was the establishment of Housing Policy Advisory Groups to ensure community and inter-agency consultation on NWT Housing Corporation policy matters. Thus, the Housing Federations were created.

#### HOUSING FEDERATIONS

From 1978 to 1981 CMHC and the NWT Housing Corporation sponsored meetings in the Baffin, Keewatin, Kitikmeot and Western Arctic regions in order for the Directors and Managers of the local Housing Associations to meet with government representatives to discuss housing problems, on a regional basis, and to recommend resolutions to correct deficiencies in program delivery, construction problems and the design of homes. These exchanges had widespread agendas. George Forrest, the Managing Director, depicted the new thrust of the NWT Housing Corporation:

"We're encouraging local people to take more and more control over their own housing. Our goal is that within three years, housing will be turned over to the native people through their local Housing Associations and through the district Housing Federations. The Corporation will become a resource for technical assistance, financial funding and control teaching."

(Proceedings of the Baffin Housing Conference, Pangnirtung, October 20 - 24, 1980)

In some regions, ambitious goals were set. For example, in 1980 the Housing Associations of the Keewatin region proposed that the Housing Corporation District office functions be delivered by the regional federation. A District Manager trainee was selected and the process for transition was instituted. It never came about.

In 1981 there was another change in the senior management of the NWT Housing Corporation and the direction of the Corporation shifted away from a community development approach, consistent with the Government of the NWT move towards devolution of local government program delivery and responsibility. This was evident in the 1981 Western Arctic Housing Conference in Inuvik where viewpoints of community representatives and CMHC - NWTHC staff clashed.

At the 1981 Inuvik workshop, the 30 representatives from eleven Beaufort and Mackenzie Valley communities made the following points with regard to the appropriateness of NWT Housing Corporation and Canada Mortgage and Housing Corporation (CMHC) programs:

- Delegates expressed concern that the total capital funding of the NWTHC/CMHC was heavily weighed towards more costly rental housing programs and not to homeownership loans, mortgages, subsidies and owner-builder assistance which the Western Arctic preferred.
- The community representatives believed that there was some need for rental housing, especially for single accommodations, but that single people were thought to have sufficient incomes to justify a non-profit approach rather than subsidized public housing.
- Many delegates believed that more public information had to be distributed to increase public awareness of homeownership programs if success were to be expected in the Inuvik region (a recommendation of the 1977 Task Force on Homeownership).
- Most communities were not satisfied with the selection and representation on the NWT Housing Corporation Board of Directors.
- They were also not satisfied that the pay scale for Housing Association staff, especially for qualified maintenance men. And they advocated that a Hay Pay Plan proposal, for all Housing Association administration staff, be adopted in principle. Furthermore, it was agreed that Housing Association employees be treated with parity with Government of the NWT staff and receive a housing subsidy (so that they might obtain their own private accommodations), holiday pay (travel benefits) and wages that reflected their training (a Housing Maintenance Serviceman Certificate being equivalent to any other trades certificate).

- The NWT Housing Corporation introduced another revision to the Public Housing rental scale where assessable income was changed, and maximum rents would be the greater of either economic or market rent which would be determined by the NWT Housing Corporation. Maximum rent would also increase for Northern Rental units and the new rent scale would come into effect April 1, 1982. The response was not enthusiastic with representatives urging both agencies to provide more information feedback, support staff, training and teaching of Directors and Association staff as to what Association/Authority by-laws, policies and direction should be with the intent that..."in the long run the Associations should be able to govern themselves and the houses in their community using the Corporation as a resource capacity...and that each association will be a self governing organization".

In a report concerning the Inuvik conference by representatives from the federal Conservaton and Renewable Energy Branch, (CREB), it was noted that "NWT HC staff generally demonstrated a lack of sensitivety to native perceptions, processes and institutions during the conference by dominating most discussions and agendas". This was illustrated from one workshop report when an attempt was made to define "Homeownership":

- "The Government view is characterized by defining Homeownership as an expensive investment that costs money, but the owner builds equity THAT COULD REPRESENT CASH VALUE IF SOLD."
- "Small community representatives view ownership as owning your home and being free of payments. The house does not represent equity or resale value. The house is a community-family resource. In many cases the resale value is restricted as financial resources of residents are not available."

(Report to CREB/EMR on Western Arctic Housing Conference, 1981).

Public hearings held by the Special Committee on Housing have substantiated these views as still in existence, as evident in the testimony given to the Special Committee on Housing in Clyde River in June 1984:

"PETER KOONILUSIE: (Translation) I don't like the (NWT) Housing Corporation. I just got out of the Housing Association last fall. I was the Chairman of the Housing Association for a year. The Housing Federation was mentioned, I just want to elaborate on that a bit. When we have gone to the Housing Federation Conference -- the Housing Federations seems like a committee of the Housing Corporation and when the Housing Federation

wants to do a major project there has never been a representative from (NWT) Housing Corporation attending the Housing Federation Conferences. Even if we made some resolutions regarding the (NWT) Housing Corporation because they are so hard to deal with. We know this much. It seemed that the Housing Corporation did not recognize us as a body. For that reason we were told one time when the Federation started to exist we were told that the Federation would be deciding which communities would be getting the houses -- we were told that when we were first starting up that Federation. Up to now, nothing has happened and the Housing Corporation is still handling the distribution of the houses into the communities; so I would like to see that the housing federation get some power in order to distribute the houses within the communities."

PAULOOSIE PANILOO (MLA, Baffin Central): (Translation) For those far behind in rent -- the people could be brought to court, this is true and this causes problems with us; and people are not looking forward to it because if they owe a lot money. They are going to have to pay a fine on top of the rent they owe. A lot of people in the North disagree with this system but I think we could raise this up with your help -- I mean if you get help from the people I am sure you could raise this up because we completely disagree with this court system; having to go to court if you owe some rent.

The second question regarding the rehab houses and the new houses that are being built. You are asking if there is a contractor that comes in from the South and Joanasie answered right, but I just want to make a supplementary. When there is work to be done there are people that want to work or get the contract, but they are only taken by the Kabloonas because the tenders are not even given to the communities, even though there are qualified people in the community to do the construction. They only show the tenders to the Kabloonas because they put out these tenders in Frobisher. I also know that the Legislative Assembly, when the (NWT) Housing Corporation speaks up they only talk about the good parts that they have done, but when the work goes to Frobisher, when you are run by Frobisher headquarters, it changes completely and the Inuit in the communities are completely forgotten, their qualifications are completely forgotten by the headquarters. Thank you.

CHAIRMAN: Thank you, Pauloosie. It is a complaint we have heard in the other communities also."

(Public Hearing, Clyde River, June 8, 1984)

The current status of Housing Federations is questionable. They have no formal mandate. Their funding is at the discretion of the NWT Housing Corporation District Managers. Their role is not defined and their future is uncertain.

As a direct link to the communities, Housing Federations provide a forum for regional concerns. Yet, their concerns do not appear to be taken seriously; and consequently, frustration is understandable.

The role of Housing Federations is addressed in Part Three of this Report.

**PART FOUR:  
HOUSING PROGRAMS AND POLICIES IN THE NORTHWEST TERRITORIES**

**RENTAL PROGRAMS**

The Northwest Territories Housing Corporation administers two rental housing programs: the Northern Territorial Rental Purchase Plan and the Public Housing Rental Program.

**THE NORTHERN TERRITORIAL RENTAL PURCHASE PROGRAM**

The Northern Territorial Rental Purchase Program, (NTRPP or Northern Rental Program), now in existence has its origins in the Eskimo Loan program of the 1950's where, in the Eastern Arctic and Northern Quebec, employees of the Federal Government and others were given the option to move into rental-purchase houses for a monthly rental of a low of \$2.00 to a maximum of \$67.00. In the 1960's, the program was introduced by the Department of Indian and Northern Affairs to the Western Arctic, especially to provide safe and healthy housing conditions to residents returning from tuberculosis treatment in Southern Canada.

Before the introduction of Public Housing into the NWT in 1974, the housing stock managed by the NWT Housing Corporation was a creation of the Federal Department of Indian Affairs and Northern Development, (DIAND). The program, the Northern Territorial Rental Purchase Program, was set up in such a way that tenants could apply money paid for rent towards the purchase price of the house. Credit from rent paid would reduce the sale price. Major improvements would be added to the original cost; and a depreciation amount would be reduced from the final price. The house would then be purchased with cash and credits. In some cases, a mortgage would be obtained. However, to complete the purchase, some form of title to land would have to be obtained by the purchaser or the house would be moved to another lot.

In 1982 the breakdown of the distribution of NTRPP units was as follows: Cambridge Bay District, 352; Hay River, 134; Yellowknife, 140; Baffin, 684; Keewatin, 309; and Inuvik, 319. The total was 1,908 housing units. As of 1985, the Northern Rental housing stock consisted of 1290 units. The operations and maintenance funds from the NWT Government for these homes in 1984 totalled \$8,428,400 or \$6,534 per unit.

Since the beginning of the management of the NTRPP program by the NWT Housing Corporation, the number of units lost from fire and disrepair have averaged about 50 per year. And over the last few years many NTRPP units have been rehabilitated, for approximately \$50,000 per unit, into Canada Mortgage and Housing Corporation (CMHC) Public Housing units. The number of units sold over the last ten years have been approximately 125 or less than 10% of the existing housing stock inherited by the NWT Housing Corporation from DIAND. The reasons that the homes have not been sold are many.

The majority of existing NTRPP units were built in the 1960's and early 1970's of a pre-fabricated design with floor, walls and ceiling panels of stressed skin, plywood of Douglas Fir 9 mm thick, glued on both sides of a 38 by 89 mm spruce lumber frame stuffed with insulation and bolted together. Vapour barriers of plastic sheathing were rarely used. No running, heated water was provided. Sewage disposal consisted of a "honey bucket", with waste or grey water drained directly under the house onto the gravel pad. Eventually, erosion took place causing the foundation supports to move pulling apart the floor and wall panels. These homes became drafty with cold floors.

Subsequently, due to poor construction practices, inadequate maintenance and overcrowded living conditions, the majority of these units were in need of major rehabilitation or replacement as the building standards used at that time were based on warmer climates and inexpensive heating fuel costs. To bring these homes up to current health, safety and building codes, a \$40,000 to \$50,000 investment would be required.

Present repair programs, such as the CMHC Rural Residential Rehabilitation Assistance Program or the Canadian Home Insulation Program are limited in the amounts available to approximately 20% of the amount required. As a result, very few NWT residents would find the purchase of a Northern Rental unit as being an attractive financial investment, nor would many residents have the necessary capital to bring the homes up to code requirements for health, safety and energy efficiency.

#### THE PUBLIC HOUSING PROGRAMS

Soon after its establishment in 1973, the NWT Housing Corporation began constructing new housing, utilizing National Housing Act (NHA) funding.

Initially, funding under Section 43/44 of the NHA was used. CMHC loaned the NWT Housing Corporation 90% of the building costs, and shared operating deficits on a 50/50 basis. The decision to access the Section 43/44 "10 cent dollars", was, in retrospect, short-sighted. Amortization costs, (the cost of borrowing the money), proved to be very expensive, making up 25% of the NWT Housing Corporation's Operations and Maintenance budget in 1980.

In 1981, the decision was made to pursue funding under NHA Section 40. Public housing could then be constructed on a cost-shared basis, with CMHC supplying 75% of the capital costs. As the units were jointly owned, there was no amortization cost. Operating deficits were similarly shared on a 75/25 basis. All public housing and rehab projects are currently financed under Section 40; thus providing a substantially lower long-term expense to the NWT Housing Corporation.

## THE NWT HOUSING CORPORATION RENTAL SCALE

The size and quality of units constructed under the Public Housing program was, in most cases, better than the Northern Rental Purchase houses. As a result, people preferred Public Housing over the Northern Rental Purchase homes. However, the Public Housing rental scale was not popular.

The principal difficulty was that the Public Housing units rental scale was based on the CMHC National Scale which has a graduated rental charge based on 16% to 25% of household income, less certain deductions. As rents in Public Housing increased with additional income received by households with more than one wage or income earner, the ceiling of \$130 (1984) for the largest Northern Rental Purchase Plan homes appeared more attractive. As a result households switched from one program (Public Housing) to the other (Northern Rental Purchase). Yet, some households, attracted to the higher construction and finishing standards of Public Housing or because of a lack of alternative housing, remained in Public Housing.

At the Baffin Housing Associations meeting of 1976 the problem of high rents for mixed income households was discussed. The NWT Housing Corporation responded by introducing regional rental scale deductions. These small allowances were not effective in dealing with the high rents being paid by wage earners, especially those residents who were employed by government and were not eligible for staff housing or cash subsidies to defray rental expenses.

As a result, many working people living in Public Housing chose to quit full time wage employment, reducing their rent to the minimum Social Service assisted rate of \$32 while supplementing their income with casual wages and hunting or trapping.

In April of 1982, a meeting of the Provinces and Territories concerning Public Housing Rental Scales was held with CMHC in Ottawa. All the parties agreed that the Provinces and Territories had adopted and modified the Federal CMHC scales to such a degree that there was no longer any uniform national rental scale or income definition. In addition, due to the fact that fuel costs (and in some Provinces and the Northwest Territories electrical domestic charges) were not paid by tenants, energy costs had risen dramatically; and energy conservation was not being encouraged.

Recommendations were made to CMHC to revise the Federal rental scale to include the following:

- a) that a more economic and socially realistic formula for determining family or household income be devised to assess rent;

- b) that the deduction of certain items, such as those for dependent children or a working spouse, be eliminated as they were thought to be confusing and inconsistent;
- c) that the Department of Social Services be charged with a greater direct cost load for welfare recipients in Public Housing;
- d) that regional cost of living variations be included from across the nation;
- e) that a formula for a quota system for fuel and power consumption by tenants based on regional and fuel availability variations be introduced.

The recommendations were not pursued. With the change in the Federal Government, the Public Housing national program continues to be under review.

While rents for the NWT Housing Corporation rental units are calculated in a similar fashion as the CMHC National Scale (rent-g geared-to-income, head of household, etc.), the NWT Housing Corporation rental scale has a number of significant differences from the national program.

The cost sharing contractual agreements under various sections of the National Housing Act require that the national CMHC rental scale be used for determining rent. When it is not used and there are losses to CMHC, as is the case in the NWT, adjustments are to be made in the cost-sharing financial arrangements such that the NWT Housing Corporation assumes those losses. It is estimated that since 1981, the application of the NWT Housing Corporation rental scale has cost the Government of the NWT 5 to 7 million dollars.

Statistical information given to the Special Committee by the NWT Housing Corporation reveals that since 1981 actual rental revenue has declined by 13%. The average rent collected is approximately 10% of the actual cost to operate an average house for one year.

Examples of typical households rental assessments given to the Special Committee by the NWT Housing Corporation indicates that rent ranges from 5.5% to 11.9% of gross income. However, testimony from the Public Hearings held by the Special Committee indicates that some households are paying considerably more due primarily to higher household incomes; and that these tenants have no other affordable housing options:

"My wife and I used to have good employment and make good money. I worked for the co-op for quite a while so I was making a good salary. I want to say, Mr. Chairman, that the reason I stopped working was because the house was getting into bad shape, and our rent was

increasing so much. I felt that if I was making less money I would have to pay less rent. That is why I quit my employment. I will use my wife for an example. The Housing Corporation wants to deduct from her salary, deductions for retirement, insurance, all these things. I completely disagree with the Housing Corporation because the corporation wants to control this person's salary. I think this area has to be improved."

Male Speaker - Cape Dorset Public Hearing, June 13, 1984

By far one of the most disturbing findings of the Special Committee was the confusion and lack of understanding by the public over the NWT Housing Corporation rental scales. In some communities it was apparent that either the rental scales were not being properly applied by the local Association/Authority or that the tenants concerned were not aware of the regulations. Nevertheless, we received repeated testimony that the present rental scales discourage employment and encourage a dependency attitude.

#### PERSONAL INCOME AND THE COST OF LIVING IN THE NORTHWEST TERRITORIES

In the Northwest Territories the issue of a fair and suitable rental scale remains unresolved for a number of reasons.

The fact is often overlooked, or not realized, that wages paid in the Northwest Territories in many occupations have been and continue to be lower than the Canadian national average.

According to Revenue Canada, from data obtained on Income Tax returns, the average Canadian municipal government employee in 1981, for example, earned \$18,786 per year. Meanwhile, the locally employed NWT municipal employee earned \$13,567, approximately 25% to 30% less; and, NWT Housing Association employees earned even less than their municipal counterparts.

Other NWT employees who earn less than the national average include teachers, casual workers and institutional employees, such as hospital workers. However, the most significant difference exists for pensioners who earned \$4,400 (1981) in the NWT, which is over 50% less than the national average income for pensioners of \$9,432.

Overall, occupations earning more income in the NWT than those occupations in other parts of Canada are people serving in the Armed Forces, Federal Government workers and business proprietors - people who, on the whole, do not live in NWT Housing Corporation rental units. Although the average income in the NWT is lower than the Canadian average, the cost of living is the highest.

According to Statistics Canada, their cost of living analysis is based on the southern city which is considered to be the source of supply for a particular Northern community. Yellowknife, for example, when compared to Edmonton over the last ten years is more expensive by 15% to 29%. Further North in Inuvik, it is 30% to 49% higher. Those communities not receiving direct jet service have even higher costs of living. Fort Franklin, Fort Good Hope and Fort Norman, over the last ten years, have seen the cost of living exceed Edmonton goods and services by 49% to 79%. Similar costs apply to Cambridge Bay and Coppermine.

In the Eastern Arctic, Frobisher Bay, Lake Harbour, Pangnirtung and Sanikiluaq have experienced prices 59% greater than those found in Montreal. Arctic Bay, Broughton Island, Cape Dorset, Clyde River and Hall Beach are 69% greater.

In the Central Arctic, Rankin Inlet prices have exceeded Winnipeg costs over the last ten years by 50% to 59%. Repulse Bay, Whale Cove and Coral Harbour, for example, have experienced cost increases relative to Winnipeg of between 50% to 79%.

In the smaller, more remote communities of the N.W.T., costs can be even greater. In Grise Fiord, the cost of living is almost 100% greater than that of Montreal. In Gjoa Haven, Spence Bay and Pelly Bay, costs range from 110% to 139% greater than found in Edmonton.

Although it is difficult to create comprehensive and exact measurements to compare prices between locations, it is reasonable to assume that the price comparisons which measure, amongst others, food consumed at home, household supplies, personal care services, cost of transportation and other relative goods and services between southern Canadian cities and NWT communities, are much greater. It should be noted that shelter costs including utility rates, are not included in these cost comparisons.

In developing a Public Housing Rental Scale for the North, the Canada Mortgage and Housing Corporation (CMHC), national model appears to be inadequate, as incomes in the N.W.T. are lower than the national average. In addition, the average cost of living in the NWT far exceeds that of communities in southern Canada. The fact is that many households in the NWT are poor, even though people are working.

The existing NWT Housing Corporation public rental scale does not address the problems of low-income households. It may appear that 25% of household income is a reasonable rental rate in the North, but surplus income for shelter can be non-existent after food, clothing and other family personal needs have been met.

Tenants, Housing Association Secretary-Managers and others have also noted that the token Cost Zone deductions allowed to not truly reflect the cost of living expenses, the rate of wage payments in a community or the rate of employment. These deductions are so insignificant that the cost of administration may well outweigh any real benefit to the tenant.

The confusion which exists in NWT Housing Corporation rental policies is self-evident in the miscellaneous collection of exemptions of various types of household income which are excluded from rental assessment. In addition, for each housing unit there is also a maximum rent which, regardless of household income, cannot be exceeded. Yet in some communities which the Housing Corporation has declared as having homeownership potential, the maximum rent is eliminated and "market rent" or "economic rent" is introduced. These rents can vary from community to community. However, in the Baffin, Keewatin and Kitikmeot regions maximum rents are based on a different criteria: the Government of the NWT staff housing maximum rentals which exist for that particular community.

As a result, a family living in Frobisher Bay in Public Housing could pay \$588 a month maximum rent for a four bedroom unit, while a family with the same income in a four bedroom Public Housing unit in Inuvik would pay \$1,322 a month in rent: a more than 100% increase in rent over Frobisher Bay in spite of the fact that the cost of living in Inuvik is relatively the same as in Frobisher Bay.

#### Rental Scale Review

In his February, 1985 Budget speech the Minister Responsible for the NWT Housing Corporation, Mr. Gordon Wray, announced that a comprehensive review of the rental scale has been ordered by his office "with the aim to reduce the incidence of arrears, to make the scale more comprehensible and to complement rather than hinder homeownership".

On March 22, 1985, representatives of the NWT Housing Corporation made a presentation to the Special Committee on the research they had conducted on the Public Housing rental scale in light of the Minister's direction in the Budget.

The Housing Corporation asserted that it is the right of all families in the N.W.T. to have affordable and suitable housing regardless of the amount of money a family can pay. However, balanced with that view, is the desire to move rental tenants with adequate incomes towards the goal of homeownership. As a result, the Housing Corporation has identified eight objectives to achieve through its rent scale:

1. stimulate the private rental market
2. make suitable, affordable rental housing available to all NWT residents in housing need
3. provide incentives to encourage continued employment
4. provide incentives for homeownership
5. encourage less dependency on government
6. pay shelter subsidies only
7. reflect the size and condition of the unit
8. be simple

In the presentation to the Special Committee the Housing Corporation Vice-President of Programs admitted that these corporate and ministerial objectives do not complement each other as some goals have negative social affects and others are positive:

"It should be simple but sometimes the more equitable we try to become, the bigger bureaucratic maze we build for the people who have to live under this thing."

The following options were presented to the Special Committee as favorable ways of achieving the objectives listed above:

1. cancelling the rent ceiling
2. introducing an income ceiling
3. cancelling the current Territorial rent adjustment
4. implementation of a user-pay system
5. introduction of a homeownership credit scheme
6. assuring that employed families have more disposable income than welfare recipients

By pursuing these revisions, it is believed by the NWT Housing Corporation that the following social objectives could be attained, in descending order of priority:

1. suitable and affordable rental housing would be available to NWT residents, in need
2. dependency on government assistance would be reduced
3. homeownership incentive would be provided
4. continued employment would be encouraged
5. only shelter subsidies will be paid
6. the private rental market will be stimulated
7. the rental scale would be simplified
8. the size and condition of a home could be reflected in a rental scale

The Special Committee in responding to the objectives of the proposed rental scale revisions notes that not all selected social-economic objectives (1-8) have equal weight. Goals such as the perception by the public of fairness, equal treatment and affordability of shelter are significant and of major importance.

Subsequently, the NWT Housing Corporation's proposal does not lead to obvious conclusions since objectives are neither weighted, valued in differentiation nor indexed to their relative cost-effectiveness and social-economic impact.

The Special Committee would also note that concepts brought forward in the public hearings, such as credit to tenants for repair of homes, decentralizing rent collection guidelines to communities to increase maintenance funds and rental levels for full or partial payment social assistance recipients have not been addressed in the NWT Housing Corporation proposed revisions to policy and program delivery to the communities.

The Special Committee agrees with the Housing Corporation that the social and economic results of altering or "tinkering" with the various aspects of the rental scales are largely unknown and difficult to quantify. However, the Special Committee does recognize that the present rental scale in Public Housing is not acceptable to the public nor do the regulations stand the test of fairness essential to the success of any social program.

It is important to remember that rent is but one component in the cost of living in the North. Transportation costs, food, fuel, electricity and consumer goods, ranging from clothing to snowmobiles, are essential elements that affect the purchasing power of households. Rental programs, in their present form, are heavily subsidized. To operate and maintain over 4000 rental homes on the NWT Housing Corporation inventory in 1985 will be in excess of \$53,000,000. Only \$5,477,000 is estimated to be collected from rent. As a result, 90% of operating costs are borne by public expense. It is difficult to conceive of any other service other than health care, which is supported to this extent in the Northwest Territories.

The Special Committee on Housing therefore recommends:

2. **That the Minister of Health & Social Services establish an independent Cost of Living Inquiry to undertake and complete a comprehensive report on the extent of poverty and need in the Northwest Territories; and for this Inquiry to report back to the Legislative Assembly their findings and recommendations within one year.**

In regard to the NWT Rental Scale, the Special Committee recommends:

3. **That the NWT Housing Corporation complete its rental scales review as soon as possible incorporating the concerns voiced by the public and outlined by the Special Committee, and**

**That the Minister Responsible for the NWT Housing Corporation report to the Legislative Assembly in the Fall, 1985, Session on the results of the review together with proposed changes to the rental scale, in accordance with the observations made by the Special Committee.**

The rents charged to Government of the NWT staff living in staff housing in the communities is another factor that should be considered in the NWT Housing Corporation rental review. Many residents of NWT Housing Corporation rental housing find it difficult to understand how they can be charged comparable or higher rents than Government of the NWT employees, who usually live in larger, better built, and better maintained units. This issue is discussed at length in the Section on Government of the NWT Staff Housing Policy, but the Special Committee considers that this issue should be included in the NWT Housing Corporation review of the rental scale. Specifically, the Special Committee recommends:

- 4. That the Ministers Responsible for the Department of Personnel and for the NWT Housing Corporation establish an interdepartmental review of staff and public housing rents and allocations and that they report to the Legislative Assembly in the 1985 Fall Session with their findings and recommendations to correct the current programs' inequities.**

#### User-Pay Program for Electricity

In his 1985 Budget speech, the Minister Responsible for the Housing Corporation announced that: "user-pay will now be fully implemented across the NWT in the public housing program to reduce waste, give public housing tenants the opportunity of benefiting from their own initiatives and ensure that all tenants are treated uniformly and equitable".

Subsequently, a motion was passed in the Legislative Assembly on February 19, 1985, recommending that: "an adequate user-pay policy be fully implemented across the Northwest Territories by the Northwest Territories Housing Corporation, prior to the 31st of May, 1985, and that the present inequitable policy be discontinued on that date".

On April 15, 1985, the Special Committee on Housing was briefed by NWT Housing Corporation staff; and an explanation was given as to how the new User-Pay Electricity Program was to operate. The rate structure will be the same for all communities above the tree-line, namely two cents a kilowatt hour and it will be the same for all communities below the tree-line, specifically three cents a kilowatt hour -- two cents above and three cents below.

The individual tenants will be responsible for their own bills. All the accounts from the Housing Associations and Authorities will be transferred to the individuals. Every individual will have his or her own account with NCPC or the power supplier, if it is Alberta Power or Plains Western. The Housing Association will then operate a rebate program directly to the tenants which will bring the cost of power down to the two cents and three cents, respectively.

The Special Committee has noted difficulties in the implementation of the proposed new User-Pay Program at the community level.

In Fort Providence, for example, where a User-Pay program has been in effect, an average sized family consumes 800 to 1,000 kilowatt hours of electricity. At present their subsidized cost is approximately \$160 per month. The cost of the tenant under the proposed system would drop the charges to approximately \$30 per month. In Yellowknife, a Public Housing tenant pays the full domestic charge. Upon receipt of payment to the utility by the tenant, the Housing Authority rebates 25% of the power cost to the tenant. Under the new User-Pay Policy, tenants in these and other communities will pay less than they did under the old User-Pay Policy.

NWT Housing Corporation representatives assert that those communities already on a split-billing program do not have to switch to a rebate system. However, the charge to the tenant on the 1st of June, or the nearest billing date will be "2 cents above, and 3 cents below the treeline".

In the event of a disconnection by the utility for lack of payment, the Associations and Authorities have been instructed by the Housing Corporation not to pay outstanding invoices, but to protect the house from freezing by draining the sewage tank, emptying the water system and blowing the pipes clear.

The Special Committee has been informed by the Housing Corporation that the Department of Health and Social Services has made provisions to assist individuals with the power bills, should tenants be unable to pay. To prepare tenants for the introduction of the program in the approximately 40 communities who are not on a User-Pay system, the Housing Corporation will issue 10,000 copies of a brochure that will explain the procedures. Although an increase in the Minister's 2 cents/3 cents program is not planned for the future, there have been no assurances given by the NWT Housing Corporation that the rate will not increase over time.

The Special Committee has found the rationale behind the NWT Housing Corporation's "2 cents/3 cents" proposal confusing and difficult to understand. It appears that there has been little public consultation on the administrative and delivery problems

associated with the program and the rate selected. Those Authorities and Associations already on a split-billing program see little energy-conservation advantages to the proposal. The rate per kilowatt hour is believed to be too low to have any affect on encouraging energy conservation. Those communities not on a User-Pay system have difficulty comprehending why the Minister chose a "2 cents/3 cents" formula.

Officials at the Northern Canada Power Commission, the principal delivery agent of power in the Northwest Territories, estimate that the additional cost of administering the NWT Housing Corporation proposal will be approximately \$80,000 to \$100,000 for the billing procedures on accounts annually. Since only large communities have service representatives on site, the conversion process, administration of the program and other responsibilities would be passed on to consumers - that cost is unknown.

The Special Committee considers that any user-pay system for utilities should be integrated within a comprehensive energy conservation program. Unless tenants understand and have some real motivation to conserve energy, token measures like the NWT Housing Corporation proposed user-pay system will be regarded essentially as a rent surcharge.

Therefore the Special Committee recommends:

5. That the NWT Housing Corporation develop an energy conservation program which would include:
  - a) the implementation of the Northern Building Standard for Energy Efficient Housing in new construction and rehabilitation projects;
  - b) the establishment of measures for conservation of fuel and electricity in rental housing;
  - c) the introduction of incentives for the use of alternative, renewable fuels, such as wood.
6. That the NWT Housing Corporation develop a comprehensive energy conservation program for rental housing programs, such that tenants obtain rental credits or cash rebates for energy conserved, rather than pay a surcharge for energy consumed.

The Special Committee remains skeptical about the NWT Housing Corporation's proposed User-Pay Program's success and therefore recommends:

7. That the Minister Responsible for Housing report to the Legislative Assembly in the 1985 Fall session on the status of his "2 cents/3 cents" User-Pay program.

### HOMEOWNERSHIP PROGRAMS

The 1972 Report of the NWT Task Force on Housing noted that:

"any programs developed must be based upon making available the opportunity and method through which an individual may own his home rather than being locked into a rental program."

The Task Force's report also encouraged the adoption of four homeownership initiatives:

- (1) a grant and mortgage program based on a "once in a lifetime" grant, similar to the Homeownership Assistance program now in existence;
- (2) a revision and extension of the Northwest Territories Low Cost Housing Mortgage Program; this was not carried out,
- (3) the sale and lease of government owned housing; this is done in some parts of the NWT,
- (4) the introduction of a fuel and electricity subsidy program throughout the NWT to equalize payments, thereby encouraging homeownership and energy conservation; this was not carried out.

There are a limited number of homeownership programs available to NWT residents. The NWT Housing Corporation administers the Homeownership Assistance Program (HAP), the Rural and Remote Housing Program (R & R) and the Northern Rental Purchase Program. For residents who do not qualify for assistance under these programs, mortgage assistance programs are available from banks and the Canada Mortgage and Housing Corporation. The NWT Housing Corporation's mortgage assistance programs had not yet been approved at the time of publication. Access to homeownership assistance is a major problem, as eligibility criteria exclude many interested residents and demand for funding exceeds the money available for some these programs.

This section provides overviews of homeownership program currently available to NWT residents. Also outlined are various type of mortgage assistance programs. Cooperative housing is also included as a collective homeownership option.

#### THE 1977 HOMEOWNERSHIP TASK FORCE

It was not until 1977, upon a request from NWT Housing Corporation Board of Directors that a Task Force on Homeownership for the Mackenzie Valley was formed to report on the growing concern and interest in this Western Arctic region for homeownership programs. The summary of public opinion and discussion collected by

this inquiry from 26 communities was clear. Residents preferred homeownership over rental programs because it was thought that homeownership created a stronger sense of responsibility for local government, removed people from government dependency and promoted self-esteem and pride.

The 1977 Homeownership Task Force supported the 1972 NWT Council Task Force by recommending a subsidy program for utilities and municipal services; the expansion and extension of the Small Settlement Home Assistance Grant, (SSHAG), program (now HAP); a revision of the purchase plan for the Northern Territorial Rental Purchase program; the promotion of the recently introduced Canada Mortgage and Housing Corporation (CMHC) Rural and Remote Housing program with a utility subsidy added; and an NWT Housing Corporation Mortgage Program.

The majority of these recommendations were not carried out due to a series of senior management changes within the NWT Housing Corporation, which led to a shift back to rental housing production. It was not until the formation of the Legislative Assembly Special Committee on Housing in 1984, that additional program money and emphasis has been placed on homeownership by the NWT government. However, as outlined below, the programs currently in existence do not adequately meet the requirements of the residents of the NWT.

#### RURAL AND REMOTE HOUSING PROGRAM

The Rural and Remote program is the NWT version of the National CMHC Rural and Native Housing Program. This program, which was introduced in the NWT nearly 10 years ago, is a Federal/Territorial contractual agreement funded under the National Housing Act to promote the construction of new housing, to purchase existing units or to rehabilitate homes for sale or rent. These homes are made available on a payment-to-income basis to residents (low income families have their mortgage payments reduced); and all communities in the NWT are eligible, except for Yellowknife.

Currently, the CMHC/NWTHC partnership cost shares the capital costs on a 75%/25% basis. However, it is proposed in 1985 that the capital costs would be 100% CMHC, limited to the maximum unit price limit set by CMHC for each community. As of June, 1985 this proposal was still under review by the Federal Government.

As in other homeownership programs, a priority for client approval is given to those people who demonstrate "the greatest need". There are significant factors that determine need: the size of the family, in that large families who experience overcrowding have a priority over smaller ones; and, low income families,

especially those whose living conditions are poor, have a priority over others. Communities are also ranked in this manner and those in greatest need are to be selected first when Rural and Remote units are to be allocated in a region.

A considerable amount of client counseling must be provided by the NWT Housing Corporation to ensure that, although income is low, it is sufficient enough to maintain the unit properly and pay service charges and other costs. The client must indicate that they understand their responsibilities as outlined in the affordability analysis counseling.

Upon approval to purchase a home, for example, the client enters into a mortgage agreement and makes monthly payments to the NWT Housing Corporation of principal, interest and taxes (PIT) based upon the gross family income in accordance to the CMHC payment-to-income scale. When the monthly payment of the borrower, based on the scale, is less than the full required mortgage payments for principal, interest, and taxes, the difference is provided in the form of a subsidy - 75% paid by CMHC and 25% by the NWT Housing Corporation.

Each year, usually at the anniversary of the interest adjustment date (IAD), there takes place an annual review of the income of the borrower. At this time, if income has fallen in accordance with the purchase-to-income scale, the subsidy may be increased.

If income decreases, a borrower may request a more frequent review other than on an annual basis. For seasonally employed people, a yearly adjusted schedule is possible. Should the house be sold, neither CMHC or the NWT Housing Corporation recaptures subsidy payments from the sale price, and the homeowner can keep the capital gain, if any, acquired.

The Rural and Remote Program is under review for 1985 by CMHC. Some proposed changes are for a fuel subsidy and increasing the scale for payments from 25% to 30% of adjusted income.

In 1984, the NWT Housing Corporation Rural and Remote budget was \$650,000. Combined with CMHC financing, the total budget for 1984 was \$2.5 million. Units were built in Frobisher Bay (5), Fort Rae (2), Inuvik (5) and Fort Simpson (3). Since the inception of the program in Fort MacPherson and other Western Arctic communities in 1977, over 55 units have been either built (new) or purchased (existing).

The Rural and Remote program has had an inconsistent acceptance and performance throughout Canada and the Northwest Territories.

Because this ownership program is aimed at low-income people, these recipients are often short of cash. When given the choice between paying fuel and power bills or mortgage payments, many clients defer their mortgage payments. As a result, high arrears are not unusual.

In the NWT, approximately 70% of the recipients are in arrears in their mortgage payments to the NWT Housing Corporation, with the total owed exceeding \$100,000 for less than 50 clients. Arrears are a national problem. But it is more acute in the NWT due to the high cost of utilities, maintenance and services which consume a greater proportion of northern household income each year.

The proposed fuel subsidy may assist in this area, but this may be offset by the increase to 30% from 25% of assessed income for mortgage payments. At this time, no study has been completed which would show that the revisions proposed for 1985 would lower the arrears problems of clients which are now outstanding.

The success of this program is dependant on selecting a suitable client and by providing on-going consultation, especially in money management, before arrears and other problems occur. Whether or not NWT Housing Corporation staff are providing for appropriate consultation, follow-up and assistance, is doubtful, in light of the substantial number of clients who are in arrears.

At certain times in recent years, CMHC has proposed to eliminate this program and/or revise it. Its future scope and make-up remains uncertain.

#### THE HOMEOWNERSHIP ASSISTANCE PROGRAM (HAP)

This program is the most popular of the homeownership programs in the NWT because of the fact that the client receives a tax-free grant (forgiveable loan), in the form of a material package of up to \$30,000. In addition, freight, site development work and electrical installation can also be provided which, depending on location, can average about \$10,000. Subsequently, the recipient can receive approximately \$40,000 worth of housing or more, without repayment.

MR. McCALLUM: Mr. Chairman, regarding the differences in the prices of these particular (HAP) units, I take the average price of the 16 units in Baffin as roughly \$44,000. There are 16 units going in and you have \$710,000. You have divided this particular amount of money based on past experience as to the cost of putting these units up in these areas? Is that why there is a difference? In the Hay River district, the average price that would be available is \$32,000; whereas, in the Kitikmeot it would be up to \$48,000. Why the disparity?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: The biggest disparity is caused by freight costs more than anything. Generally we are finding that the home-ownership package is running anywhere between \$28,000 to \$50,000. The disparity comes in the freight costs, just the high cost of freight into those areas as opposed to say, highway transport.

(NWT Hansard, 19 February 1985.)

The cost of the forgivable loan is forgiven at 20% a year over a five year period, assuming the recipient does not break a signed agreement which forbids the disposing of the property as a personal residence through renting, leasing or selling. If such activity takes place during the five year period, the unforgiven part of the loan must be repaid. This grant or forgivable loan is a once in a lifetime offer per recipient in the NWT. (HAP is not available in Yellowknife, however.)

In addition, community groups and organizations, such as in Fort Good Hope, may construct homes under a contractual agreement with the NWT Housing Corporation for residents in the community. As a security for all HAP loans, the NWT Housing Corporation requires the attachment of a five year term mortgage (reduced by 20% each year) where land is owned by an applicant; or an equitable mortgage where the mortgage is registered against land owned by a Band Council, for example; or an assignment of lease to the Housing Corporation on land leased to the client; or a promissory note where, if the HAP funds are repayable to the Housing Corporation, the individual is personally responsible for the amount owed.

To be selected for HAP, a person must also be able to afford to operate and maintain the home. Subsequently, the NWT Housing Corporation has set a minimum and a maximum income level by region for prospective HAP clients. In addition, a list of requirements must also be met:

- the applicant must never have received a grant or subsidy from the Housing Corporation to build a home; this would apply to SSHAG program recipients, for example, who would be not eligible for HAP.
- the applicant must obtain title or lease of a lot which must be within municipal boundaries.
- the client must be no younger than 19 years old, be a resident of the NWT for at least five years and be selected on a "greatest need basis".

Other rules apply concerning the ability to build and for community projected financial and construction management requirements. There are over twenty-five pages of regulations in the NWT Housing Corporation Homeownership Manual on this program.

The HAP program is basically a hybrid development of the Small Settlement Home Assistance Grant (SSHAG) program, which was a \$10,000 grant per home, delivered by the NWT Housing Corporation primarily in Western Arctic communities. In addition, due to an experimental community development project in Fort Good Hope and Fort Resolution to build SSHAG units by community groups in 1980-1981, the group building concept was introduced into what is now called the Homeownership Assistance Program (HAP).

It was not until 1983 that HAP units were allocated to communities outside the Mackenzie Valley, for example in Holman Island and Paulatuk. In 1984 Rankin Inlet and Frobisher Bay were included. And in 1985, more regional distribution is planned for HAP units, according to the NWT Housing Corporation Program Managers. Specially designed units with oil-fired central heating systems are proposed for the East, Central and High Arctic regions; and, the additional cost will be included as part of the grant or forgivable loan.

Originally the SSHAG - HAP program was principally designed to assist people who required housing with low incomes in communities where rental housing was either unavailable, restricted or not desired by the majority of community residents. The grant was used to purchase materials (windows, doors, sinks, etc.) which would supplement a log home built by the prospective owner and heated with wood. The home may have had electricity. In all cases the grant was forgivable and labour funds to assist in erecting the home were provided by Canada Manpower.

However, the present HAP program is now being directed to communities where rental programs and a market situation for the sale of homes exists; for example, Rankin Inlet and Frobisher Bay. And in these communities, prospective HAP clients would have to have much higher incomes in order to service and maintain their homes, as compared to homeowners in the Mackenzie Valley living in small communities with very low, marginal incomes. How can Housing Corporation managers decide which prospective client or community is in the "greatest need" (as the program requires) when approving grants valued from \$30,000 to \$50,000?

In the 1977 Task Force on Homeownership which recommended the expansion of the SSHAG program "to residents of all communities (in the Mackenzie Valley) whose incomes are very low and who cannot afford to purchase or build a home with a loan repayment", it was also recommended that a need formula be developed for selecting recipients.

In such programs, where grant (or forgivable loan) money is distributed by government, there is usually a means test where the finances and other factors concerning a client are evaluated or given points in order to classify each prospective recipient. For example if a family is large, living in poor conditions and is overcrowded with a low income, they would be ranked ahead of an applicant who has a smaller family living in slightly better housing. Both clients may be eligible for the HAP program, but the first family would be in "greatest need". In most programs, a point system is used and considerable numbers of relevant factors can be included. This system is used when the benefit to be awarded is significant and the demand from the public is greater than the supply of funds. At present, the NWT Housing Corporation has not defined what is greatest need, nor is there any point system set up which classifies and ranks applicants or communities by need.

With regard to the eligibility of community groups for HAP, the only community pursuing this approach is Fort Good Hope which initially experimented with the concept. This particular project selected applicants by way of a public meeting where the community screened all applicants and arrived at a consensus decision.

Labour funding for HAP clients is no longer an assured part of the package. The past two years have seen considerable problems with labour funding. Many applicants do not have the skills to complete their houses on their own, nor do they have enough money to hire qualified tradespeople to do the work for them. Labour funding for HAP clients allows the client to work on his/her unit for the fullest extent possible.

The Canada Employment and Immigration Commission, (CEIC), provides labour funding for HAP, under the Employment Development Branch's Canada Works Program. In 1984, HAP labour funding was delivered by the Department of Indian Affairs and Northern Development, (DIAND), using CEIC funding. DIAND did not have the staff to properly deliver the program, which was made available only through Band Councils to status and non-status Indians. Inuvialuit and Inuit clients were not eligible. As Nellie Cournoyea, M.L.A. for Nunakput, stated in a telex to Douglas Frith, then Minister of DIAND, in July 1984:

"I do not think your Departmental officials and Treasury Board appreciate how an unfair application of such programs can affect mixed Inuit, Inuvialuit and Dene communities such as Aklavik and Inuvik, nor the Territorial population as a whole".

Following the announcement of the awarding of this years HAP grants, there has been considerable confusion in many Western Arctic communities as to who will deliver labour funding for HAP. DIAND and the Band Councils will not be involved. Clients have to apply to CEIC on an individual basis. Although both the NWT Housing Corporation and CEIC staff insist that the program change was publicized and that clients were told to apply directly to CEIC, the fact remains that many clients did not apply because, they say, they had not been informed. It is now too late for clients to apply for labour funding and the successful completion of their HAP units is now in question. Consequently, information provided to the Special Committee by the NWT Housing Corporation indicates that labour funding has been approved for only 55 HAP clients, out of a total of 110 approvals.

This situation illustrates only too clearly how local people get "lost in the shuffle". NWT Housing Corporation staff state that labour funding is not an NWT Housing Corporation responsibility. CEIC officials say NWT Housing Corporation staff should ensure that clients know how and where to apply for labour assistance. This lack of coordination is frustrating - especially since it is so easily prevented.

Therefore, the Special Committee recommends:

8. **That the NWT Housing Corporation include, in its HAP client information package, full details on labour funding assistance programs and that NWT Housing Corporation District staff ensure, through personal follow-up, that HAP clients are kept informed of program changes as they occur.**

The Special Committee does not intend to lay the blame for this year's fiasco at the door of the NWT Housing Corporation District Office staff. Coordination should occur at the Headquarters level. Therefore the Special Committee recommends:

9. **That the NWT Housing Corporation and the CEIC formally coordinate the HAP and labour assistance funding available under the Canada Works Program, so that field staff of both agencies can more efficiently serve HAP clients.**

The Homeownership Assistance Program is advantageous to NWT residents who desire to own their own homes built according to their design concepts of a modest scope and free of complex financial procedures and regulations which require substantial capital investment or savings. It is an appropriate program for small communities where a real estate market is non-existent and property leasing is inexpensive.

In larger communities where a market or potential market is in existence and where alternative energy sources, such as wood heat, are not available, a more suitable program would be appropriate.

In order to encourage homeownership, the NWT Housing Corporation must create a unified program delivery of rental and ownership programs that complement each other. In addition, this program delivery must accommodate regional economic and social differences. The "one size fits all" approach now in existence has serious shortcomings. A HAP grant may be adequate for a resident in the Southern Mackenzie, but not for someone in the Baffin. If a HAP grant is available to one client in a community, how can the repayment of a mortgage thru the Rural and Remote program be acceptable to another client building a similar home in the same community? Homeownership is determined in larger communities on the condition of an existing market for possible re-sale. How can this be balanced with the requirement for all subsidy programs, especially those that are CMHC funded, that the communities and clients in greatest need be serviced first?

The Housing Corporation also informed the Special Committee that negotiations are now taking place at the Ministerial level to obtain additional funding from CMHC for HAP, which is now delivered with Government of the NWT funds.

The Special Committee indicated to the Housing Corporation that the advantage of HAP was that it was not restricted by regulations imposed by CMHC. In fact, the Special Committee noted in the public hearings that there was a desire by Band Councils and other local bodies to decentralize the delivery of HAP and to open-up the regulations for more flexible interpretation.

The Housing Corporation believes that HAP is at present a cost-effective program. There are no plans to alter the present delivery practice.

It would appear that the NWT Housing Corporation has not developed their present programs by way of market studies or some rational development plan. The Housing Corporation has simply put together what was historically available and attempted to update the programs. However, costs, expectations of the public, and other events have resulted in evident shortcomings and contradictions in the homeownership program.

Therefore the Special Committee recommends:

- 10. That the NWT Housing Corporation apply consistent eligibility criteria when considering applications for HAP.**

11. That the NWT Housing Corporation give HAP clients more flexibility in design options.
12. That the NWT Housing Corporation make block funding for HAP available to community groups.
13. That the Homeownership Assistance Program be made available for prospective homeowners in all communities of the Northwest Territories, including Yellowknife.

#### Northern Rental Purchase Program

This program is outlined in detail in the previous section on Rental Programs. There are several factors which discourage tenants from buying these units, but a primary concern is that many of the Northern Rental units are in poor condition.

As outlined elsewhere in this Report, rehabilitation costs in 1985 will average \$76,000 per unit. The NWT Housing Corporation pays 25% of this cost, with CMHC picking up the remainder. Once the Northern Rentals are rehabilitated to Public Housing standards, the units can no longer be sold to the tenants.

The Special Committee considers that it would be preferable to turn the Northern Rental units over to tenants desiring homeownership, who would then be responsible for the cost of operating and maintaining the units. Thus, NWT Housing Corporation capital dollars could be spent on a repair package to upgrade the units to meet health and safety standards.

This option has been discussed with the Minister Responsible for the NWT Housing Corporation:

"I will tell you right now that I would give away every northern rental house we have, tomorrow, for a dollar, if people ask me. The only problem is that those houses are in such poor shape that most people could never hope to run them because of the high cost of fuel and power, at least in the Eastern Arctic.

In the Western Arctic, if you have people in your area that live in northern rentals, who, rather than us rehabing them, which would then make it impossible for us to turn them over to you, if they come to me, if you give me a list of names, they can have the houses for one dollar. That program is there, they can have them. Give them to them for a dollar to make it legal and they can have them."

The Honourable Gordon Wray, Meeting with the Special Committee on Housing, Rankin Inlet, NWT, October 10, 1984

The Special Committee agrees, and recommends:

14. That the Minister Responsible for the NWT Housing Corporation revise the Northern Rental Purchase Program such that the units can be sold to tenants for a nominal fee.
15. That a "piggyback" repair package in the form of a forgivable loan be included in the sale of Northern Rental units in order to bring these units up to current health, safety and building standards.
16. That the eligibility criteria for the Northern Rental Purchase Program be revised so that clients in arrears can have their outstanding debt added to the proposed nominal purchase price of the unit.

#### NWT HOUSING CORPORATION HOMEOWNERSHIP PROGRAMS - CONCLUSIONS

The specifics of the homeownership programs currently delivered by the NWT Housing Corporation have already been outlined. The Special Committee's recommendations are aimed at making the existing programs more accessible and more fairly distributed.

The Special Committee also has some general concerns in regard to information produced by the NWT Housing Corporation about its homeownership programs. Despite the production of a comprehensive homeownership manual for Corporation staff, in most areas information on ownership assistance programs is either unavailable, incomplete or not relevant. In the Eastern Arctic testimony given to the Special Committee revealed confusion or a lack of knowledge by NWT Housing Corporation tenants as to how to purchase Northern Territorial Rental units, in spite of the fact that these homes have been available for purchase for at least ten years.

"Also regarding homeownership programs, especially here in Frobisher, only the kabloona are the ones that are buying in the homeownership program and through this we understand that because the kabloona can easily read the brochures and the information and we Inuit we read very slowly in Inuktitut, so they can get information faster than us. So, therefore, they ask around and they know they can get assistance if they want to buy a house. So they benefit more than the Inuit in the homeownership program. The Inuit do not know that they can also get assistance from different agencies. For that reason a lot of people are not anxious to buy houses."

Geela Giroux - Frobisher Bay Public Hearing, June 12, 1984

Therefore, the Special Committee recommends:

- 17. That the NWT Housing Corporation develop an adequate information program to inform the public about its homeownership programs, in the official NWT languages.**

The Special Committee was pleased to note the inclusion of increased funding for HAP in the NWT Housing Corporation's 1985/86 budget. It is also encouraging to note the interest in homeownership that has recently developed in the Eastern Arctic. In the existing homeownership assistance programs, however, the paperwork involved, the complexities of the administration and the few numbers of loans and grants available in respect to demand discourage the public and promote confusion. It is essential that NWT Housing Corporation field staff be able to properly counsel potential clients on the realities of homeownership, and to assist the client through the administrative requirements (i.e. red tape) of the programs.

The Special Committee recommends:

- 18. That the NWT Housing Corporation develop an information package for both prospective and approved homeownership clients to fully inform them of the program requirements and to ensure consistent program delivery.**

Finally, with the growing interest in homeownership across the NWT, the Special Committee feels it is time for the NWT Housing Corporation to review its homeownership programs, taking into account the concerns expressed by the public and the Special Committee.

Therefore the Special Committee recommends:

- 19. That the NWT Housing Corporation review its existing homeownership programs, together with a review of the applications currently on hand, to determine the performance of the existing programs in meeting the needs of prospective homeowners.**

#### MORTGAGE PROGRAMS

The Special Committee has heard in its public meetings many concerns regarding problems with obtaining financing for house construction by prospective developers in the private sector and by hopeful owner-builders. The current situation was outlined by the Mayor of Yellowknife in a submission presented to the Special Committee on September 11, 1984:

"Financing for private housing and public housing projects is extremely difficult to obtain. Lenders are prohibitively cautious and they are applying factors more appropriate to areas with poor economies, for example Edmonton and Calgary, rather than Yellowknife, which is enjoying a booming economy but is suffering an extreme housing shortage.

The private housing market has maintained a semi-reasonable level of growth despite high interest rates and tight lending. However, commercial apartment development, except for Borealis Co-operative in 1983, is virtually non-existent. Adequate financing just does not seem to be available for the potential developer despite an environment where the demand is so high for apartment units that the waiting lists are in the hundreds, that is if you can get on one...

Another idea I would like to address is the high cost facing prospective individual homeowners. Developing and servicing land in Yellowknife is a very expensive proposition. Rock, muskeg, permafrost, climatic conditions, high interest rates, the high cost of transportation of materials, and in general, the high cost of labour all contribute to the prices of individual serviced lots...The high cost of construction and material, combined with the high cost of money, makes building a home a very expensive exercise. Once completed, the housing units that are placed on the open market for sale are very costly because of the high demand and low availability."

Mayor Don Sian - Public Hearing Yellowknife  
September 11, 1984

The Special Committee, in private hearings, met with representatives of the banking industry. They noted that in the last six years the percentage of NWT residential mortgage requirements met by banks has increased. In the past, potential mortgage applicants would request "Letters of Refusal" from local banks and obtain direct lending from CMHC. The current practice has more direct lending under various mortgage schemes with, in many cases, CMHC as an insurer of the loan. Direct lending is available in the Northwest Territories with interest rates comparable to other regions of Canada. Currently, most home mortgages are short-term from one to five years and banks are willing to compete by attracting lenders to their institutions by offering mortgage transfer programs. Weekly, bi-weekly, monthly or semi-monthly repayment plans are available.

The difficulty that most applicants have is in meeting the required down-payment or security deposit for a mortgage. This is due to the initial high cost of entry into the homeownership market. In Yellowknife, for example, a standard house lot as of June, 1985, cost approximately \$30,000 to \$40,000 to purchase; construction costs range from \$60 to \$80 per square foot depending on the design and finishing of the home. Subsequently a basic, three bedroom home may sell for \$115,000 or more.

In small communities where lot prices are not high or where leases to lots can be obtained for a few hundred dollars, the higher cost of transportation significantly affects the overall cost.

For the owner-builder, of which there are significant numbers of NWT residents choosing this method of homeownership, there are further difficulties. Interim or bridge financing is often required and difficult to obtain, as banks are reluctant to advance substantial funding when there is little equity to guarantee the loan and when construction completion can be lengthy.

The Minister Responsible for Housing has announced in his February, 1985, Budget speech that the Executive Council of the Government of the NWT has proposed to fund a special priorities allocation of \$600,000 to provide Interim Financing to owner-builders. Similarly, a comparison program entitled the Supplementary Financing program will be funded as a priority allocation of \$500,000 to "assist aspiring homeowners who could afford ongoing mortgage payments but need help meeting their initial down payment requirements at the bank. Both of these programs would provide loans of last resort. Each would be operated as a revolving fund and as each one develops and additional money becomes available, they will be built-up and expanded".

Details of the programs were not available to the Special Committee at the time of writing, as the Executive Committee has not reviewed them and approved the details of implementation. However the Minister, Mr. Wray has stated in the Legislative Assembly:

"I can indicate though that our recommendations will be that a revolving fund be established within the (Housing) Corporation to finance this (Supplementary) mortgage scheme and we are recommending that the interest rate be a fixed one of five per cent...The programs will come into effect April 1st of this year (1985)...I expect that Yellowknife will probably be the major user of these programs...and Fort Smith and Frobisher Bay...These programs will be on a first-come, first-served basis, but Yellowknife is the kind of community where we would use those kind of programs."

(NWT Hansard, February 14, 1985)

The proposal of the Minister Responsible for Housing is in keeping with the general recommendation of the Interim Report of the Special Committee to make available supplementary mortgage financing in the Northwest Territories. The Special Committee would hope to see both the Interim and Supplementary Mortgage Financing Programs expanded as demand warrants.

### Co-operative Housing

In its Interim Report, the Special Committee recommended that funding for co-operative housing be encouraged. Presentations were made to the Special Committee indicating public acceptance of Housing Co-operatives successfully built and occupied in Frobisher Bay and Yellowknife, under Section 56.1 of the National Housing Act. In this Canada Mortgage and Housing Corporation, (CMHC), sponsored program, mortgage interest on the loan to build the co-operative is reduced by CMHC down to a rate of 2%. As a result, the occupant has security of tenure and a lower monthly payment. This program is of particular interest to middle-income earners, especially working single parents who have jobs but no finances for a down-payment or capability to be a homeowner. At present, a group in Fort Smith has been organized and will be building 30 units in 1985.

In the 4th Session of the 10th Assembly, (February 14, 1985), the Minister Responsible for Housing concurred that moderate income households would be well served by co-op housing and that they were "a viable alternative in the North". However, it should be noted that this national program is under review and that the present Federal Government has recommended a re-appraisal of the program.

The Minister, Mr. Wray, has also informed the Legislative Assembly, that the federal Minister of Housing has no budget allocation under Section 56.1 for the Northwest Territories in 1985 for co-operative housing. However, a request has been made to the federal Minister to consider establishing a budget for that purpose. To date, there has been no response.

The Special Committee recommends:

20. **That the Canada Mortgage and Housing Corporation designate a budget allocation for co-operative housing for the Northwest Territories.**
21. **That organizational and proposal development funds continue to be allocated to communities who request this type of assistance.**

### Condominium Legislation

During the public meeting of the Special Committee in Yellowknife, developers and public officials noted that the lack of valid Condominium legislation has prevented the building of individual ownership apartments or town houses in multi-unit complexes. In larger centers, low and moderate income families could obtain homeownership under this concept, which is popular in other parts of Canada.

However, there exists a technical conflict between the Land Titles Act and the Condominium Ordinance passed by the Territorial Legislature in 1969. An Act to validate the Northwest Territories Condominium Ordinance, Bill C-214, was introduced into the House of Commons in January 1981 to rectify the matter. It did not pass the House. A similar bill was introduced in December, 1984. It has been referred to the Standing Committee on Indian Affairs and Northern Development.

Due to the long delayed and urgent nature of this legislation, which could be of benefit to the Northwest Territories, the Special Committee on Housing recommends:

- 22. That the Executive Council of the Government of the NWT make a request to the Government of Canada to submit a government sponsored bill to the House of Commons as soon as possible, to validate condominium construction in the Northwest Territories.**

### Subsidy for Power Consumption

The Government of the Northwest Territories administers the Domestic Power Support program for the Federal Department of Indian Affairs and Northern Development under a program agreement which is signed each year. The program must be renewed annually.

The Domestic Power Support program is directed at domestic power users living outside of Yellowknife. They are subsidized up to the Yellowknife rate for 750 kilowatt hours per month. The subsidy is automatically applied to domestic power billings of the Northern Canada Power Commission, (NCPC), and Alberta Power so that the user pays only the net amount. All communities in the Northwest Territories are covered, excluding Yellowknife; and the support is available to non-government domestic consumers.

In January, 1985, the Government of the Northwest Territories responded to a proposal put forward by NCPC to increase power rates as was ordered by the National Energy Board, (NEB), for NCPC to re-design its rates based on consumers paying the full cost of service, with separate rate structures for hydro-serviced communities and for diesel-serviced communities.

As a result, private residential customers in nearly all communities, would end up paying higher rates. At present, most private consumers pay below-cost; government users pay near the cost; and Yellowknife users and NWT industrial users pay above the cost of production of power.

The Government of the Northwest Territories position, according to the Minister of Economic Development, Mr. Curley, is that the new system ordered by the NEB in which rates are based on actual cost is "simple, stable and equitable", but "without the co-incidental development of a satisfactory subsidy program the rates NCPCC proposed to charge are simply beyond many people's ability to pay them".

The 1972 Task Force Report on Housing recommended a fuel oil and electricity equalization program for domestic users across the Northwest Territories. The proposal was never implemented.

The Special Committee recommends:

- 23. That the Government of the Northwest Territories enter into negotiations with the Federal Government to develop a comprehensive energy conservation and subsidy program for fuel and power consumption that will be applied equitably across the Northwest Territories.**

## MAINTENANCE AND REPAIR PROGRAMS

In its Interim Report, the Special Committee commented on the fact that many houses in the NWT, both privately and government-owned, are in need of extensive repair.

There are still many people in the NWT, including families with young children and senior citizens, who live in older, poorly constructed homes without running water, flush toilets or central heating. The honeybucket is all too common and so are the health problems associated with poor housing conditions. The harsh climate and the frequent overcrowding that occurs make these poor housing conditions even more difficult.

As noted in the Interim Report, children are having difficulty succeeding in school because they do not have a proper place of their own to sleep or study. Progress in education can only be enhanced by improvements in housing. Conversely, overcrowding and poor housing conditions do much to frustrate the goals of education. Children need good schools and good teachers, but they also need decent housing to come home to and grow up in.

Although the problem of overcrowding is slowly being addressed through an accelerated public housing program; the repair of older homes, both those owned privately and those owned by the NWT Housing Corporation, is not taking place as quickly as it should. Funding for residential repairs is extremely limited and the programs utilized are not available in all communities.

### NWT Housing Corporation Maintenance and Repair Programs

The NWT Housing Corporation's maintenance budget is seriously inadequate. There is no money available for preventative maintenance, and even basic maintenance cannot always be performed.

When the Federal Government transferred funding for maintenance of approximately 2200 Northern Rental Program units in 1974-75, an annual base funding level of \$225/unit was established. Future increases were granted using this base level.

Any homeowner living in the NWT will tell you that \$225 for maintenance and repair does not go far. The NWT Housing Corporation's past attempts to obtain additional maintenance funding have been unsuccessful. In 1984, the NWT Housing Corporation submitted a request for a base adjustment from the Treasury Board of Canada. To date, no response has been received.

The request to the Treasury Board outlines a strategy for improving maintenance and administration of public housing. In addition to increased funding for maintenance, the NWT Housing Corporation has also proposed salary increases for Housing Association staff. The NWT Housing Corporation's submission also notes

the disparity between maintenance funding for Government of the NWT staff housing and NWT Housing Corporation rental units; and the inequities in wages paid to people performing maintenance and administering these two different types of housing.

The Special Committee considers the NWT Housing Corporations request to the Treasury Board to be long-overdue; and therefore recommends:

24. That the Treasury Board of Canada review the NWT Housing Corporations request for a base adjustment to the Government of the NWT as soon as possible, so that increased funding can be made available to improve maintenance and administration of NWT Housing Corporation rental units.

The Special Committee is also concerned about the duplication of maintenance services in communities. Government of the NWT staff housing units are better maintained. In many communities, the Special Committee toured Housing Association maintenance workshops. Often, the DPW workshops in the same community were much better equipped, with qualified staff who had far fewer units to look after. Given the high cost of equipment, the Special Committee considers that resources should be shared within the community.

The Special Committee therefore recommends:

25. That the Minister Responsible for the NWT Housing Corporation and the Department of Public Works review the possibility of having maintenance resources shared in communities where both the Corporation and the Department of Public Works carry out maintenance functions.
26. That the NWT Housing Corporation and the Government of the NWT enter into negotiations to contract the repair and maintenance of staff housing to local Housing Associations/Authorities where it is economically practical and advantageous to the community and increases the efficient use of government resources.

While maintenance funding forms part of the NWT Housing Corporation's annual operations and maintenance budget, major repairs are financed under section 40 of the National Housing Act.

The Rehabilitation Program is designed to upgrade Northern Rental units to current standards. The program is very expensive - 88 units will be "rehabbed" in 1985 at an average cost of \$76,000 per unit. CMHC picks up 75% of the cost, just as it does in the Public Housing program.

In its Interim Report, the Special Committee noted tenant dissatisfaction with the rehab designs, which generally result in reduced usable floor space, due to interior insulation applications.

The Special Committee recommends:

27. That the NWT Housing Corporation, upon approval of local Housing Associations, utilize the Rehab Program to convert 3 bedroom units into 2 bedroom units, which are required in many communities.

This action would, of course, be coordinated with the construction of new, larger public housing units in the community.

The Special Committee would further recommend:

28. That the NWT Housing Corporation seek program changes to fund alternatives for the upgrading of Northern Rentals, so that repaired units could be sold to tenants.

This reiterates the Special Committee's recommendation in the Interim Report regarding the phasing out of the Rehab Program and its subsequent replacement with a "comprehensive repair program that would improve housing conditions and keep the units available for sale to tenants".

#### Weber Roof Retrofit Program

The Special Committee is pleased to note that 111 Weber units across the NWT will have roof repairs performed under this program in 1985/86. The program is cost-shared on a 50/50 basis with CMHC.

#### Enriched Emergency Repair Program (EERP)

This program is designed to address emergency repair problems in Northern Rental units, generally to improve health and safety standards. Fifty-two units will be repaired under this program in 1985/86, cost-shared on a 50/50 basis with CMHC.

Given the poor condition of many Northern Rental units (the NWT Housing Corporation estimates that 58% of its almost 4000 units are in need of repair), the Special Committee considers that the Enriched Emergency Repair Program could be more fully utilized and therefore recommends:

29. That the NWT Housing Corporation seek increased funding under the E.E.R.P. to provide very basic improvements in health and safety conditions of Northern Rental units until such time that funding for major rehabilitation or replacement can be secured.

Although funding under EERP cannot exceed \$7,800/unit, it is felt that provision of even limited repairs would be an improvement.

### Extraordinary Maintenance Program

This program provides funding for major improvements to NWT Housing Corporation rental units, including replacement of appliances, upgrading insulation, etc. Housing Associations administer the program; funding is allocated from Headquarters to the Districts. This program is also cost-shared with CMHC for public housing units only.

### Conclusions

In the area of maintenance, the NWT Housing Corporation has attempted to do much, with very little in the way of funding. Extremely poor housing conditions still exist in many communities, and while the Special Committee supports the NWT Housing Corporations efforts to obtain increased funding to improve maintenance services to its rental stock, it is imperative that the worst units be brought up to standard or replaced as soon as possible.

The Special Committee recommends:

- 30. That the NWT Housing Corporation develop a strategy to bring all its rental units up to minimum health and safety standards within 5 years.**

The Special Committee considers the improvement of housing conditions to a minimum acceptable level to be of the utmost importance and would urge the Minister Responsible for Housing to seek the additional funding required to achieve this goal.

At the community level, both Housing Association staff and tenants expressed frustration at the lack of resources available to deliver maintenance services. Through Government of the NWT Priority Funding in 1985/86, Housing Associations will receive a small inventory of basic supplies. This is a positive initiative, which the Special Committee endorses.

However, the Special Committee would like to see incentives built into NWT Housing Corporation policies, such that tenants who performed maintenance on their units could receive rental credits. Obvious restrictions pertaining to prior approval by the Housing Association, establishment of maximum amounts that could be credited, etc., would have to be included. The purpose of such a policy would be to encourage tenants to perform routine maintenance on their units insofar as it is practical and safe for them to do so.

In summary the Special Committee recommends:

31. That the NWT Housing Corporation develop a policy whereby Housing Associations could grant rental credits to tenants who undertake maintenance work on their units.

#### Repair Programs for Privately Owned Homes

The Special Committee was very concerned to note the large number of privately owned homes, primarily in the Dene communities, that are in extremely poor condition. Essential services are not always provided. Even more disturbing is the fact that many elders are living under these conditions.

As noted in the Interim Report, funding for repairs to privately owned homes is limited; and the few programs available are not widely distributed.

#### Rural Rehabilitation Assistance Program (RRAP)

This Canada Mortgage and Housing Corporation, (CMHC), program provides loans of up to \$25,000 for repairs to privately owned homes. Homeowners, landlords, the disabled and non-profit groups are eligible. A portion of the loan is forgivable, depending on the clients income and the cost of the repairs.

In the NWT, the major problem with RRAP is that the Yellowknife CMHC office has not been able to secure a staff position to coordinate the program. The Special Committee is concerned that the level of assistance approved in the NWT under the RRAP declined in 1984. This is thought to be a consequence of the fact that the program is not being actively promoted and also, there is no one on staff at CMHC in Yellowknife to provide the required coordination.

#### DELIVERY OF THE RRAP IN THE NORTHWEST TERRITORIES

	<u>1982</u>	<u>1983</u>	<u>1984</u>
No. of Recipients	27	32	12

(SOURCE: CMHC ANNUAL REPORTS, YELLOWKNIFE BRANCH OFFICE, 1983 AND 1984)

In the past, CMHC has entered into agreements with Band Councils to deliver the RRAP in the communities. The Special Committee considers it essential that CMHC's NWT Headquarters have whatever staff is required to ensure that the RRAP is delivered to those who request and need it. Therefore, the Special Committee recommends:

32. That CMHC retain a full-time RRAP Coordinator on staff in its Yellowknife office to promote and ensure delivery of the RRAP as required throughout the NWT.
33. That residents of all NWT communities, including Yellowknife, be eligible to apply for the RRAP.
34. That CMHC continue to seek suitable delivery agents in communities until such time as a RRAP coordinator is hired.

#### Senior Citizens Repair Program

The Special Committee believes that the NWT Housing Corporation should change the name of this program. In no community did we find any senior citizen that had been repaired under this program.

Very few homes privately owned by senior citizens are repaired under this program, either. Funding is limited to a \$5,000 maximum and few grants are available.

The Special Committee pointed out, in its Interim Report, that the number of loans and grants available for repairing homes owned by seniors is small. The application process is complex, time consuming and often irrelevant to the problem. Inter-agency cooperation in program delivery is uncoordinated. There are also problems with the delivery of building materials to communities and sufficient labour to complete the tasks. Many approved projects are often delayed, postponed, or are incomplete.

The Special Committee considers the improvement of housing conditions for the elderly to be a priority, and therefore recommends:

35. That the Minister of Health and Social Services establish a departmental inquiry into the housing conditions of NWT elders and report back to the Legislative Assembly in the 1986 Winter Session.
36. That the NWT Housing Corporation and the Department of Health and Social Services together develop a strategy to deliver an enriched version of the Senior Citizens (Home) Repair Program to those in need of such assistance.

The Special Committee would also like to see improved coordination of this program at the community level, and recommends:

37. That the NWT Housing Corporation make block funding available under the Senior Citizens (Home) Repair Program, so that community groups could deliver and coordinate the program to a number of elders, as required.

Labour funding through the Canada Employment and Immigration Commission might also be utilized to complement community delivered repair programs of this type.

#### Conclusions

Funding to repair privately owned homes needs to be increased. The Rural Rehabilitation Assistance Program and Senior Citizen (Home) Repair Program are not adequate.

The Special Committee therefore recommends:

38. That the Minister Responsible for Housing initiate development of a repair program to upgrade privately owned homes to a minimum health and safety standards, in all NWT Communities, including Yellowknife.

The Special Committee further recommends:

39. That the NWT Housing Corporation and CMHC consolidate repair programs such as the Rural Rehabilitation Assistance Program, the Enriched Emergency Repair Program and the Senior Citizen (Home) Repair Program; and to locate and support community delivery agents for these services to the public.

## GOVERNMENT OF THE NORTHWEST TERRITORIES STAFF HOUSING POLICY

In its review of Government of the NWT staff housing policy, the Special Committee noted the many disparities between the quality and cost of renting Government of the NWT staff housing and that owned by the NWT Housing Corporation.

In most communities, Government of the NWT staff housing was, for several years, of superior quality and design. The operative rationale supporting this double standard at the community level was that higher quality housing was required to attract teachers, administrators and other Government of the NWT staff to the North. Put another way, most southerners would not live in the type of housing provided for the local people.

Today, the new public houses are equal in quality to staff housing; in many communities, the same design is utilized. Rents charged to Government of the NWT staff have been highly subsidized, although efforts have been made recently to move toward market rents. Maintenance of staff housing is also far superior to that of NWT Housing Corporation units.

Furthermore, through the Department of Public Works, which maintains Government of the NWT staff housing, there are better resources available in the communities for maintenance work, i.e. workshops, equipment, vehicles, trained personnel. These resources are not shared with Housing Associations.

Finally, the Government of the NWT does not provide housing for all its staff, especially in regard to local hires.

Government of the NWT Department of Personnel policy does not allow the provision of staff housing to local hires. As of April, 1985, 326 Government of the NWT employees were living in NWT Housing Corporation rental units. In most communities above the treeline, there is government staff housing and there is NWT Housing Corporation housing. There is virtually no private rental housing market. Therefore, Government of the NWT employees compete with other residents of the community for available public housing:

"The government staff cannot get housing from the government, so therefore they have to rent from the Housing Association and we are lacking so many houses. We were wondering if the government staff could be housed by the government because we certainly don't have enough houses to rent out. Could you keep that in mind that we are lacking houses because the government employees are using our houses."

Mr. Joanasie Maniapik - Pangnirtung Public Hearing  
June 11, 1984

Nor is the problem confined to Government of the NWT employees:

"We are also aware that the federal government's staff occupy public housing and not from their own staff house, although they are working for a public service and their municipal services and utilities are being paid by the Housing Association and I think that the Housing Associations have to do something to the effect that they are just paying for their utilities...I ask you as a committee that federal government employees, whether they be from MOT, nursing station or other public servants, not to take away the public houses but that they have to provide their own houses".

Mayor Michael Amarook - Baker Lake Public Hearing  
October 9, 1984

A further consequence of the Government of the NWT policy is that both the tax-free \$450.00/month housing subsidy, and the additional household allowance available in some areas, are not available to those living in NWT Housing Corporation housing. The subsidies are denied on the basis that residency in an NWT Housing Corporation unit gives the tenant an automatic housing subsidy.

During the community hearings the Special Committee received testimony that it is the policy of the Government of the Northwest Territories not to provide accommodation or accommodation allowances to staff hired locally. Yet, in some regions, it is reported that staff hired from the communities are provided housing. It was also discovered that in some cases the Territorial government was providing staff accommodation to employees of the Federal government.

In meeting with the Department of Personnel, the Special Committee discovered that the policy concerning benefits for local hires was applied inconsistently.

The Government of the NWT would prefer to provide housing to local hires or to have employees provide their own. However, there is a deficiency of 160 units required throughout the regions in addition to the 326 government employees living in Public Housing Units. Subsequently, the government is compelled to introduce in its advertisements for employees clauses which stipulate that housing is not available. In essence, if a person wants the job, they have to provide for their own accommodation. Nevertheless, there are housing units that are reserved for certain specific positions, such as teachers and managers. And, in Frobisher Bay, for example, the Territorial Government is sub-leasing 21 row houses and 46 apartment units to employees of the Federal government.

For the 326 government employees living in Public Housing, the \$450 monthly housing allowance and additional \$300 household allowance are not provided, as is to other employees in staff housing or in private accommodation. As a result, Public Housing tenants employed by the Territorial Government end up paying more for housing than their fellow workers. This cost will also increase for those tenants who will now begin to pay User-Pay rates for power in Housing Corporation units.

The Special Committee considers that Government of the NWT and Federal staff should not be living in public housing at all. Public housing is, after all, built with public funds to accommodate those unable to house themselves. Therefore the Special Committee recommends:

40. That the Department of Personnel set a reasonable target date for moving Government of the NWT employees out of NWT Housing Corporation units, to be coordinated with invitations to the private sector to provide new staff housing on a guaranteed lease basis.
41. That the Government of the NWT urge the Government of Canada to provide staff housing for federal employees who now occupy NWT Housing Corporation rental units.
42. That the Government of the NWT Department of Personnel and Federal Government Departments enter into lease agreements with the Housing Associations/Authorities, for units occupied by Government of the NWT and Federal employees.

Similar lease agreements are already in effect in some Housing Association/Authority units; arrangements with the RCMP, for example. This arrangement should insure that Government of the NWT local hire staff receive the same, comparable quality of housing as those employees living in staff accommodation.

By having the Government of the NWT lease its units from the local Housing Association, the problem of rent is avoided. The Government of the NWT will be charged an economic or market rent, and will in turn, charge its employee whatever rent it wishes. However, the employee should be provided with the household and/or accommodation allowances to meet these expenses. The Special Committee therefore recommends:

43. That all Territorial Government employees be treated with equality; and that employees living in Housing Association/Authority units receive the same allowances for housing as other employees.

Implementation of these recommendations would have two major impacts:

- 1) public housing stock would become available to those who really need it and for whom it is intended (some 326 units, using current figures)
- 2) the orderly phasing in of Government of the NWT initiated invitations to build accommodation would stimulate the private sector.

The rents charged to employees living in Government of the NWT staff housing are generally lower than market rents. In Yellowknife, for example, the market rate rents charged to Territorial employees living in provided accommodation is 20% to 30% below the current rental structure in the private sector. Subsequently, there is a reluctance by employees to move into homeownership responsibilities or to seek other arrangements. It also encourages households who have leased housing for some years and whose family size has altered, to remain in government accommodation.

The Special Committee recommends:

- 44. That the Executive Council complete its review of staff accommodation policy addressing and correcting the rates charged for leased accommodation in market communities; and that employees living in staff accommodation be allocated units that are adequate to their family size and entitlement.**

One of the contentious issues identified in the public hearings of the Special Committee is the fact that the User-Pay program introduced into the communities in 1980; and proposed to be revised and introduced in 1985 throughout the NWT in Housing Corporation rental homes, is not applicable to government employees living in staff housing. This fact was raised with representatives from the Department of Personnel of the Government of the N.W.T. in a meeting with the Special Committee on April 18, 1985.

In 1983, a User-Pay program for electricity was developed by the Government of the NWT and a split-billing procedure was negotiated with the utility companies. The implementation and administrative costs which would have to be paid to NCPC, for example, to program their computer, split the invoice between the consumer and the government, and the ongoing operating costs were in excess of \$100,000 a year, in addition to an annual service cost that would be charged. At the same time the Federal 6% and 5% restraint in spending guidelines were introduced, creating resistance from government tenants who interpreted the User-Pay program as a surtax on rent. As a result, the Executive of the Territorial Government declined to implement the User-Pay program in those communities where tenants were not already paying their utility costs.

In place of the User-Pay program, a basic rate formula per square metre of household was introduced for staff housing. For example a 1200 square foot, three bedroom house would be charged a flat rate of \$200 a month for electricity usage. If the household consumption exceeded the flat rate, there was no adjustment or additional charge for over-consumption. Subsequently, there exists no motivation for energy conservation by the tenant. This program is still in effect.

For those government employees living in Housing Corporation rented Public Housing, they will be compelled to pay their utilities under the NWT Housing Corporations new User-Pay system as implemented in that specific community.

## HOUSING AND SOCIAL ASSISTANCE POLICY

In its Interim Report, the Special Committee noted that the Department of Social Services Social Assistance Program does not provide for a shelter component or market rate for rent payment for its clients living in NWT Housing Corporation rental housing. According to information provided to the Special Committee only 1.1% of the Housing Corporation operating funds are provided by the Department of Health and Social Services, while the NWT Housing Corporation houses the overwhelming majority of Social Assistance clients in the NWT.

In effect, the NWT Housing Corporation provides each Social Assistance client living in NWT Housing Corporation housing with a direct rental subsidy. The amount of this subsidy is the difference between the operating cost of the unit (estimated at approximately \$1,000.00 per month, on average, for Public Housing) and the rent charged to the tenant receiving Social Assistance (usually \$32.00 per month).

"On all income over \$400.00, the rent assessment is calculated by taking 25% of the gross income. In the south 25% of one's gross income might be reasonable, but because the costs of food and clothing are much higher in the North, it takes a larger percentage of one's income to buy the necessities. The percentage used for calculating rent assessments should be lower than 25%, especially for low income families.

When the rent is calculated on 25% of gross income, people cannot afford to take part-time jobs unless someone else in the family is working.

Example:

Family of 4 - working	Family of 4 on Social Assistance
gross income \$600.00	monthly payment \$590.00
deductions - \$22.00	
rent - \$113.00	rent paid by Social Assistance - \$32.00
Income after rent - \$465.00	residual income - \$590.00

For example, you can see that the family on Social Assistance has a much higher residual income than the family that is trying to work."

Tasiurqtit Housing Association Submission, Whale Cove  
October 11, 1984

While the Department of Health and Social Services is paying \$32 a month to Housing Associations/Authorities for clients on assistance living in social housing units throughout the NWT, recipients living in private accommodation are not restricted to that level of service.

As explained to the Special Committee by the Minister responsible for Health and Social Services, the policy of the Territorial Government is to pay the rent that is required for the family on Social Assistance to remain in housing. For example, if a woman and her three children were abandoned by her husband and they were living in private sector housing, Social Assistance would pay the full cost of accommodation. However, if the family were living in Public Housing, the rent would be reduced to \$32 a month and paid for by the Department. In effect, Housing Association/Authorities subsidize the Social Service program. And to what extent, is unknown, as the Special Committee has been unable to determine from any source the number of Social Assistance recipients living in Housing Corporation units at this time.

With regard to the effect of introducing a User-Pay program into communities across the Northwest Territories by June 1, 1985, representatives of the Department of Health and Social Services are of the opinion that more households will be drawn into the ranks of social assistance recipients receiving supplementary benefits creating a ripple effect, the impact of which has not been analyzed nor can its resulting implications be determined.

In the community public hearings held by the Special Committee, it was revealed that Housing Associations/Authorities do discriminate against welfare recipient families and the elderly by assigning to them units in the poorest condition, most often Northern Rentals. Households with wage based incomes are allocated modern Public Housing units at rent-to-income rates: higher household income is equivalent to higher rents; subsequently more maintenance money is available for repairs.

The Special Committee recommends:

- 45. That the Minister of Health and Social Services review the housing allowances currently paid on behalf of social assistance recipients and investigate the feasibility of establishing a Shelter Allowance and that the Minister report his findings and conclusions to the Legislative Assembly in the Fall, 1985, Session.**

In meeting with officials of the NWT Housing Corporation, the Special Committee inquired into the possible effects of having the Department of Personnel (staff housing) and the Department of Health and Social Services (social assistance recipients) contribute additional funds for service supplied by housing programs of the NWT Housing Corporation.

The Vice-President for Finance stated that these considerations had not been looked into in depth previously. However he believed that such proposals as shelter allowances to social assistance recipients and housing allowances to government staff living in Public Housing would be of financial benefit to the NWT Housing Corporation. It would also reduce the operating funds contribution by the Government of the NWT to the NWT Housing Corporation.

In terms of the recovery of benefits paid to Social Assistance recipients under the Canada Assistance Plan (50/50 share contribution with the Government of the NWT) there would be an overall financial benefit to the Territorial Government, especially under section 43, National Housing Act programs.

## PLANNING AND DEVELOPMENT OF COMMUNITIES

In 1970, the Commissioner of the Northwest Territories, Stuart Hodgson, reported that the vast northern expanse, which he administered on behalf of the federal government, was about to emerge "...as a political and economic force...(which)...promises to be the twentieth century's greatest saga". He went on to give a picture of his vision:

"It will include industrial developments on a scale suited to the size of the land, giving employment to thousands of modern pioneers. It will be a modern re-enactment of old frontier days - accelerated and magnified by world pressures of population, increased commercial demands and heightened by competition for mineral resources. It will be rocketed ahead by computer-oriented technology."

The role to be played by the government in the Arctic, during this new era of economic development, was put forward by the Minister of Indian Affairs and Northern Development, Mr. Jean Chretien, in a 1972 policy statement. Mr. Chretien asserted that the Canadian government was committed to the objectives of providing a higher standard of living, quality of life, and equal opportunity to all northern residents; in addition, he assured native northerners that their own preferences and aspirations would be preserved, including the unique social and physical environment.

In order to accomplish these goals a considerable amount of planning was required in order to provide suitable resources for community needs. In many areas, the development of communities has not progressed as imagined over fifteen years ago.

### Community Planning

Sound planning for community development must be done on a community - specific basis, as each settlement has its own unique historical and geographic features which define and limit future growth and development.

Most communities were developed randomly, with clusters of housing gathered about a trading post, church or beach area. Expansion, growth and the introduction of modern services such as trucked water and sewage and piped facilities, created the need for a physical re-organization of communities from patterns that were originally acceptable. Some settlements have changed within a generation, others often, it appears, overnight. Many communities, restricted by physical barriers and economic limitations, have depleted the most cost-effective sites for housing development. As a result, earlier developed town plans which attempted

to organize growth and the potential for land use, sub-division design, roadways for access and water/sewer servicing within a phased economic plan for implementation are not always adequate or relevant today.

Planning for housing development in the North is in actuality a "top-down" process. The local Councils do not initiate development plans nor do they authorize and control land use development, other than in tax-based municipalities. In effect, local Councils wait for some agency, usually headquartered in Yellowknife, to tell them what they will receive in terms of development.

The authority for planning and delivery of social housing programs, in NWT communities, lies with the NWT Housing Corporation. However, the NWT Housing Corporation must work with the Territorial Departments of Local Government and Public Works to plan and coordinate the residential land development it requires for building programs. Planning in non-tax based communities is a function and responsibility of the Department of Local Government.

The NWT Housing Corporation can select sites in a community, but the final authorization for permission to build on a specific lot rests with the Department of Local Government. At the community level, participation is limited to experiencing and identifying the need for more housing development and to concur or propose alteration to plans presented to them.

The Interdepartmental Committee on Capital Planning reviews all capital projects proposed by Government of the NWT departments and other agencies planning capital projects in all communities; makes recommendations to the Financial Management Board in view of stated Government of the NWT priorities and attempts to resolve conflicts and/or identify indirect support capital that may be required.

The capital planning exercise schedule is also hampered by the innumerable bureaucracies involved. Priorities Planning, Regional Operations, Interdepartmental Capital Planning, Financial Management Board and other committees of Ministries and the Legislative Assembly all participate in an elaborate checks and balances exercise to assure the optimum use of capital funds. Meanwhile, the local community has no direct participation in forecasting, or in allocation of resources.

#### Planning and Coordination for Housing

Selecting suitable sites for house construction in Arctic communities is a time consuming task that requires skill and foresight. Every organized NWT community should have a general development plan prepared by a qualified planner and completed

with the concurrence of the local community council and within the requirements of the Town Planning Ordinance of the NWT. Included in these plans is a map which lays out the division of the land within the boundaries of a community into various zones for public roadways, buildings, recreation areas, schools and lands reserved for other community purposes.

In addition, a schedule is usually included which determines the sequence in which specific areas of land may be developed with the support of the appropriate public services and facilities. The Ordinance also permits municipalities to design development schemes for acquiring and assembling land for subdivision for sale or lease. And, the local council can specify how land is to be used to the point, in municipalities of town status or higher, that they have the authority to expropriate lands or buildings should this action be deemed essential to carry out development schemes.

However, in all communities, growth and development depends to a great degree on grants received from the Government of the NWT to develop and deliver essential community services. Decisions such as the final awarding of service contracts for water supply, sewage and garbage disposal, road construction and maintenance are within a local authority, but in the end, the final dollar distribution across the North is determined by the total amount of Government of the NWT funding available each year.

To obtain land to build on, the NWT Housing Corporation requests the Lands section of the Department of Local Government in Yellowknife to set aside lots in specific communities for house construction. Local Government, in turn, corresponds with the local Councils for review of the request in relation to the community Development Plan.

At present the Department of Local Government has essentially decentralized much of its planning function to the regions (each region with the exception of Kitikmeot and Keewatin now has a core planning group). A Regional Community Planner is responsible for taking the NWT Housing Corporation request to the community councils for their approval. Councils may recommend in favour, against, or in favour subject to changes, such as recommending that other sites be selected. This process requires official procedures and inquiries which take time to carry out and resolve. In the case of municipalities, land requests of the NWT Housing Corporation are made directly by the Corporation to the community.

Once lots have been identified and reserved for NWT Housing Corporation use, development work such as ensuring proper drainage, building access roads for servicing, erection of telephone poles for electricity service, and site development for foundation preparation should take place before the foundation pads or piles are built for house erection. All of this activity must be planned, coordinated, budgeted and contracted out between the local

Council, the Government Departments of Local Government, Public Works and the NWT Housing Corporation.

NWT Housing Corporation Construction Programs

The preferred schedule for land development work is a three year cycle:

- Year One - Land Application  
and Site Selection
- Year Two - Site Development Work
- Year Three - House Construction

In the past the NWT Housing Corporation has not supplied the Department of Local Government with a firm delivery timetable and lot allocation schedule for its proposed building programs for future years. As a result, the three-year cycle described above has not been adhered to and both lot development and house construction take place in the same year in many communities. In some cases, building materials are off-loaded from ships and barges on one day, while the same equipment develops the building sites the next day.

As documented by the Special Committee on Housing in community public hearings, the consequences of this lack of adequate lead time at the community level have been:

- inadequate site development resulting in poor drainage, foundation problems, inadequate pad preparation and poor access for servicing;
- lack of consultation procedures with community groups such as Housing Associations, Community Councils and service contractors (power, sewage and water) resulting in a failure to carry out the goals of the community general development plan;
- poor coordination of physical work required (contracts, scheduling) resulting in inadequate performance and cost-overruns;
- utilization of less than ideal, and often more expensive to develop, land for pad and house construction - essentially, making do with the land that is readily available rather than planning for the orderly development of land to meet the communities continuing need for new housing.

Once the NWT Housing Corporation has defined its land requirements, by community, and once the Department of Local Government has received community approval and the proposed locations, it is the responsibility of the Department of Public Works to ensure that any required development work is contracted out and completed. Capital funds for development work come out of the budget of

the Department of Local Government; however, the Department of Public Works assumes the role of contract administration and project management.

In addition to the difficulties experienced by communities attempting to compress the three-year cycle into a single season, long-range capital planning for social housing and land/road/site development, which is often contracted out to community councils, has also suffered.

### Land Assembly Projects

In previous years (1976-1978) the NWT Housing Corporation, foreseeing a shortage of suitable building lots in communities, entered into an arrangement with Canada Mortgage and Housing Corporation, (CMHC), in which money for land development was borrowed under Section 42 of the National Housing Act for the purpose of acquiring and assembling serviced land for housing purposes. Up to 90% of the acquisition and servicing costs of this land could be borrowed from CMHC with repayment scheduled over up to fifty years or to be repayed as the land was used or sold to users, such as other government agencies or to the private sector.

Over a dozen land assembly projects in northern communities were completed by the Department of Local Government which took over the administration of the land assembly projects in 1978 from the Housing Corporation. The total commitment by CMHC has been approximately 11.8 million dollars. Although the projects should have been closed out three years ago, accounting and reporting delays on the part of the NWT Government and the NWT Housing Corporation to CMHC has postponed the final accounting. It is estimated that the Land Assembly loans may have been overspent by up to three million dollars. In this case, the additional capital costs will have to be absorbed by the Government of the Northwest Territories.

When the NWT Housing Corporation decided to discontinue its land assembly activities, the Government of the NWT (Local Government) decided against continued utilization of the Section 42 NHA funding which allowed the program to be cost-shared with CMHC. As a result, all serviced land must be developed solely from Government of the NWT capital funds.

Due to the lack of land assembly projects, the lack of a NWT Housing Corporation Capital Projects plan identifying future sites, and the inability of the Department of Local Government and the NWT Housing Corporation to develop a formal and cooperative land acquisition process, no agreements exist with local community councils or municipalities to reserve developed and serviced lands for future needs. As a result, the foreseen

shortage of suitable building lots on serviceable land is now about to become a reality.

In view of current fiscal restraint, the Special Committee recommends:

- 46. That the Government of the NWT review the feasibility and cost-effectiveness of utilizing National Housing Act Section 42 funding for land assembly projects.**

#### Department of Local Government - Initiatives

The Department of Local Government is currently preparing a new Local Government Ordinance. Included in the new Ordinance would be provisions to transfer greater authority for the control and disposal of land from the Department to communities. However there are complex negotiations that have yet to be concluded.

The three Advisory Groups for Settlements, Hamlets and Tax based communities have yet to approve a proposal that would go before the Legislative Assembly. In addition to these three Advisory Groups, there is also a Steering Committee, consisting of Mayors and the Deputy Minister of the Department of Local Government, and a Working Group, consisting of the Senior Administrative Officers of the Municipalities plus representation from the NWT Association of Municipalities. Tax based communities control their land while Department of Local Government currently controls lands of other, non-tax based communities.

Another Department of Local Government proposal involves a new Municipal Land Development Policy. A Revolving Fund would make low interest loans available for residential, commercial and light industrial land development projects in communities, for purchase by both the private sector and public agencies. The funds received by the municipality from the sale of these lots would then be returned to the Revolving Fund to be used to develop additional lots. Now that Local Government has decentralized some of its planners to the regions, the necessary expertise to assist small communities and hamlets where this program will be directed should be available.

Details of the proposal have not yet been finalized, but the Special Committee endorses the principal of the new policy. In addition, the Special Committee would recommend:

47. That the policy governing the proposed Municipal Land Development Revolving Fund contain the following principles:

- a) the fund should have sufficient funding to be able to meet the demands placed on it;
- b) the interest charged on loans made from the Revolving Fund should be low enough to prevent interest charges from inflating the resale cost of unsold lots developed under the scheme;
- c) the repayment of loans made from the Revolving Fund should be deferred until the land so developed is sold;
- d) the municipalities should be allowed some flexibility in the repayment of loans made from the Revolving Fund, in order to assist individuals to purchase land.

By recommending that municipalities be allowed some flexibility in the repayment of loans made from the Revolving Fund, the Special Committee means to pass on the low interest and deferred repayment features of the program to the individual who purchases a lot from the municipality. In the larger municipalities, the cost of buying a lot on which to build a home is prohibitive and discourages homeownership. The Special Committee would like to see the proposed Revolving Fund administered such that municipalities could sell lots developed through the Fund to individuals for a down-payment, with the balance repaid over a reasonable period of time. Interest would be equal to that charged by the Fund, plus an administration fee. As the individual repaid the municipality, the municipality would repay the Fund.

The Special Committee assumes that communities will retain control of approval for applications to develop land within municipal boundaries.

The Special Committee also recommends:

48. That where a municipality has demonstrated administrative capability in the areas of community planning and land development, that the Government of the NWT, if requested, turn over all lands within the community's designated boundaries to the municipality.
49. That communities be continually updated in advance with regard to NWT Housing Corporation building intentions, (ie. capital plan), so that proper planning can occur.
50. That the Minister Responsible for Local Government establish a timetable for coordination of land development activity to be agreed upon and adhered to by all participants, with responsibilities clearly outlined and delegated; accountability should be likewise assigned.

## Forecasting Land Requirements

NWT communities have grown rapidly over the last 15 years due to population expansion, the government goal to continue to improve the quality of life within communities and the objective to assist local governments to become self-sufficient in the management of their communities. The stress of having to maintain and expand water and sewer services, roads, subdivision development, recreation and other facilities is not eased by the current crisis oriented, "fast-track" housing development approach used by the NWT Housing Corporation. In nearly all communities, inexpensive and easily serviceable land suitable for housing has been depleted. Planned and orderly developed projects which have suitable community consultation and approval are a necessity in order to not only meet the development objectives of the government, but also to meet the financial and physical requirements of building.

The demolition of older houses which now occupy prime residential lots, and the relocation of poorly sited houses, is a short-term but very limited remedy to the need for land experienced in many communities.

In some communities, such as Inuvik and Fort Simpson, capital allocation for community infrastructure development has taken place in order to meet proposed resource development projects. The reduction of and cancellation of pipeline projects has saddled these communities with land and service facilities that are inappropriate and costly. Subsequently, some regional and municipal councils are understandably wary of long-term planning commitments based on proposed resource development. Land banking can be an uncertain and costly proposal.

The principal housing delivery agency in terms of numbers of units in the NWT is the NWT Housing Corporation. Their agents in the communities are the Housing Associations. Local Government consults Community Councils. In many communities there is no joint community based planning structure.

The Special Committee therefore recommends:

51. **That Housing Associations/Authorities be formally included with community councils in community planning, especially when land is sought for new NWT Housing Corporation public housing construction projects.**

In addition, the Needs Study process conducted by the NWT Housing Corporation is no assurance that houses will actually be deliver-

ed, in spite of the level of overcrowding or substantial housing shortages. Decisions on the final destination of the yearly NWT Housing Corporation distribution of social housing and homeowner-ship units can be influenced by the Canada Mortgage and Housing Corporation, the NWT Housing Corporation Board of Directors, the Minister Responsible for Housing or decisions by the Executive Council of the Legislative Assembly.

Although the NWT Housing Corporation has previously developed housing needs forecasts, they have not designated and adhered to a capital plan allocation process that is linked to a delivery date of units to specific communities in sufficient lead time for services and land to be properly developed for housing.

In the past, the Department of Local Government has been faced with as little as six weeks notice, in some cases, to ensure suitable lots were available for the NWT Housing Corporation. The predictable results of this type of "fast-track" housing delivery are well documented throughout the North in projects that are inadequately sited, difficult to service and not in keeping with the goals of the general development plan.

The NWT Housing Corporation management has decided that their agency should not be involved in land acquisitions or subdivision development. The Housing Corporation asserts that the responsibility for developing land, reserving lots and providing appropriate servicing is a responsibility of community councils and the Department of Local Government.

The Department of Local Government insists that it has neither the Capital funds nor the mandate to develop a reserve of lands and supporting infrastructure for housing in every NWT community. Since this type of work requires a minimum three year cycle to plan and complete, it is necessary that sufficient lead time be scheduled for specific communities, each of which has unique geographic and physical conditions that determine the location and cost of site development.

The NWT Housing Corporation has yet to release a multi-year capital building plan which specifies by community where the various type of housing units will be built. As of December 1984, Local Government was unaware of exactly where the 1985 homes were proposed to be built or the type of designs selected (single family, multiple unit, row). As a result, Local Government was not able to determine whether or not the 1985 communities selected had sufficient services or equipment available for the proposed homes, nor was Local Government able to determine if sufficient lots were available and that their 1985 Capital budget was adequate to pay for the development costs. Similarly, the proposed 1986 NWT Housing Corporation building plan would compound the above problem areas as these sites should be selected and development work begun in 1985.

Although it is possible to locate the currently proposed 200 Public Housing units for 1985 erection, the 1986 allocation of a similar number of lots through the Northwest Territories which are suitable for house construction is doubtful. In addition, 200 units in 1986 would most likely consume all of the Local Government budgeted funds for roads, land and sites; and physical work should be planned, undertaken and completed in the summer of 1985 for 1986 use. This is especially critical in Eastern and Central Arctic regions.

The cost of developing a residential lot in the Northwest Territories can vary from \$5,000 to \$40,000 depending on the location, soil conditions, access to and type of service required. The Department of Local Government in responding to the increase in housing development, recreation centres and other projects has been compelled to seek additional Priority Funding, of which 1.45 million has been approved, but an additional 1.4 million is required (June, 1985).

#### Capital Planning for NWT Housing Corporation Construction Projects

Past attempts have been made within the NWT Housing Corporation to initiate an accountable capital planning process that would ensure both a continued supply of land for housing construction and an annually updated forecast for capital funding.

As early as January, 1980, the Planning Manager of the NWT Housing Corporation had proposed and outlined in detail to Senior and District Managers of the Corporation a three year capital construction program which selected communities for public housing development, projected a three year allotment of housing and designated a priority for acquiring additional lands for future use for all regions in the N.W.T. In 1982 these priorities were outlined, in further detail, based on the Needs Study data, to the Senior Management of the Housing Corporation. These proposals were never adopted into a corporate capital plan that could serve as the definitive planning document required by the Department of Local Government, the Capital Planning Secretariat, the Financial Management Board, the Standing Committee on Finance, the Legislative Assembly and, ultimately, the local communities. The only Capital plan available to the Special Committee on Housing is the "Capital Plan" submitted to the Standing Committee on Finance. It is the document which projects the housing activity of the Housing Corporation. It is actually a one year description of the building, repair and homeownership activity proposed for 1985.

Although a draft of the newly developed five-year NWT Housing Corporation Capital plan has been circulating in Government of the NWT Departments for several months, the Minister Responsible for Housing has refused to make this document available to the Special Committee, despite repeated requests and in disregard of the Special Committee's Terms of Reference. The Special Committee considers that it has been considerably hindered by the Ministers lack of cooperation in this matter. The consequences of this limitation are discussed further in Part Two of this report, but the following questions can be posed and the subsequent observations can be made here.

How are Communities selected for new housing, repair programs, rehabs, retrofits, home-ownership grants, warehouses, furniture for senior citizen homes and equipment for Housing Associations?

We are told by the Senior Management of the Housing Corporation that each District Manager in the various regions (6) compiles a list of community needs, assesses them, and reports to Yellowknife. The Senior Management of the Housing Corporation meets and allocates the projected available resources on the basis of this list. This list is sent to the Board of Directors where further changes may take place. It is then passed on to the Minister responsible for Housing who may, with consultation from members of the Executive Council, make further changes and/or approve of the allocations. Subsequently that list becomes the submission placed before the Standing Committee on Finance for review.

Consequently, the list submitted by local communities and the actual housing received can be very different. Communities have no knowledge of what will actually be received, so they are unable to plan for building sites, or to plan to move families to accommodate repair or re-hab programs, for example.

In order for a capital plan to alleviate these problems, it must first and foremost be based on an objective assessment of the relative needs of communities. Each community must be surveyed in the same way (uniform data collection) by properly trained and, ideally, locally hired staff. The communities must understand and accept the way in which the data is collected and analyzed. The results should be returned to the community through the local Housing Association, Municipal Council and the Member of the Legislative Assembly, for their review and approval.

The NWT Housing Corporation states that the allocation of housing and the new capital plan are primarily based on "needs" determined through the Needs Study Program.

## NWT Housing Corporation Needs Study Program

In previous years, the Housing Corporation "Needs Study" list was used as a tool for determining housing needs of a community. The Needs Study measured overcrowding and rated the condition of each home creating an index which served to indicate a measurable need, so that the "need" of one community could be compared to another.

The intent of the Needs Study was to provide a standardized measure of housing conditions within each community, relying primarily on the factors of overcrowding and physical condition of the buildings. Thus, the relative needs of communities could be measured, and the NWT Housing Corporation could work toward equalizing housing conditions across the NWT, as outlined below.

The Needs Study rated every community from the least overcrowded and with the best maintained homes, to the most overcrowded with the poorest physical condition. The next step was to then designate housing to communities to raise them to an equal level of condition to the average community measured. Subsequently, communities who were best housed would get few, if any, new homes, while the communities with the worst conditions would get the overwhelming majority of new homes and repair programs.

Communities with the lowest household incomes were not favoured over others. Similarly, communities with the strongest economic growth potential were not favoured over others. The goal of the Needs Study was to create, throughout the NWT, a selection process of housing resources that would encourage equal distribution to arrive at a comparable level of housing conditions in each community. These objectives were in keeping with the Treasury Board approvals for the Northern Rental Housing programs (1965-1968).

At present (and within at least the last two years, 1982-83/1983-84) it appears that the NWT Housing Corporation has revised the original Needs Study criteria for selecting communities to receive housing resources.

The methodology of the NWT Housing Corporation Needs Study Program is deficient in a number of areas:

- 1) Only NWT Housing Corporation units are surveyed (study is to be expanded in future to include all units, except as noted below);
- 2) Survey is usually conducted by District Office Staff, not local residents;

- 3) Data is checked at Head Office, not District Office;
- 4) Results not necessarily sent back to community;
- 5) Community has very little opportunity to participate in the survey or to review results;
- 6) Homeownership requirements estimated from list of applicants only;
- 7) Need for senior citizens' accommodation - stated to be the responsibility of the Department of Social Services;
- 8) Analysis includes estimation of optimal unit sizes; these are totalled to indicate the total number of units required, not the total number of bedrooms required. Bedroom requirements are the accepted criteria of need in surveys of this kind.

For example, compare these 2 communities:

	Unit Size (Bedrooms)					Total No. Units
	1	2	3	4	5+	
Community A	6	4	-	1	-	11
Community B	2	1	-	5	1	9

Although Community B requires only 9 units compared to Community A, which needs 11, only by looking at the number of bedrooms required does a true picture of need emerge:

	# Units Required	# Bedrooms Required
Community A	11	18
Community B	9	29

This departure from conventional need study analysis is a serious deficiency in the NWT Housing Corporation's methodology. The simplistic total unit requirement approach is inadequate and does not accurately reflect housing requirements.

9. The factors "built into" the analysis for population, growth and replacement of units are based on projections that are difficult to ascertain. It is essential in any needs study that variables of this type be re-evaluated regularly to ensure their validity.

10. The Needs Study is not conducted in Hay River, Fort Smith, Yellowknife and Inuvik. Needs in these communities are estimated on the basis of Housing Authorities waiting lists and homeownership applications.

Concern with this issue was raised during the 4th Session of the 10th Assembly (Feb. 18, 1985) where the Minister Responsible for Housing was asked to explain how the allocation of housing funds would take place for the housing units planned for delivery in 1985-1986. The Minister, Mr. Wray, noted that the distribution was based on the "Community Needs Summary" and on the advice given to the Minister by the regional staff of the Housing Corporation but "...because it is recognized that the data is not as accurate as it should be...I have ordered a complete and comprehensive review of the needs data and of the survey".

The NWT Housing Corporation staff have also been directed to "refine the Needs Study" by the Board of Directors.

Some of these proposed refinements include:

1. surveying all houses in a community, not just the NWT Housing Corporation owned units;
2. "improving the quality of data" - this objective was not explained.

To offset the lack of complete and accurate needs study data, the NWT Housing Corporation has set-up an elaborate decision making process which includes the District Manager, a review by the Programs and Planning Division, the Management Committee, the Board of Directors and finally the Housing Minister. Yet throughout the whole process the major funding partner, the Canada Mortgage and Housing Corporation, (CMHC), is not included nor is the local Housing Association or community council bodies given any role to play in decision making. As a result, final decisions are not truly reflective of community needs or desires and, as such, are not acceptable.

It is ironic that the NWT Housing Corporation does have a sophisticated computer program and equipment to analyze the data collected through the Needs Study. The analysis, however, will only be as good as the data collected. The Special Committee considers that efforts must be made immediately to bring the quality of Needs Study data up to the quality of the equipment used to analyze it.

In conclusion, the Needs Survey has a number of serious deficiencies, not only in the collection of data, but also in the design of the study. Since the Needs Study is the main source of data for the NWT Housing Corporation capital planning exercise, and since the capital plan is the basis for allocations, the entire process is in need of improvement.

The Special Committee therefore recommends:

52. That the Needs Study Program be reviewed as soon as possible by consultants expert in the field; and that the Minister Responsible for Housing make a full report to the Legislative Assembly on any revisions consequently implemented by the 1985 Fall Session.

The Special Committee further recommends:

53. That the Needs Study and subsequent allocations should have a documented rationale explaining how data is collected and analyzed and for what purpose housing units are allocated; for example, to alleviate overcrowding, to encourage economic development, etc.

The Needs Study methodology should be sound, understood and accepted by the communities and include relevant regional factors. The disbursement of scarce housing resources for new units, repairs and capital equipment, must be perceived, at the community level to be fair and equitable. The Special Committee also recommends:

54. That communities must be given the opportunity to participate in defining their own housing needs beyond the current Need Study process; and that their agreement with the conclusions of the analysis should be a prerequisite to any allocation of new housing.

The Special Committee further recommends:

55. That the housing requirements of all N.W.T. communities should be determined.

The Special Committee was concerned that the Minister Responsible for Housing had been advised by NWT Housing Corporation officials that housing needs in Yellowknife, for example, could not be determined. Obviously, a different approach is required for larger centres, and if the NWT Housing Corporation staff cannot develop such an approach in-house, the Special Committee urges the Minister to seek outside help.

#### Allocation Process

Allocation of housing resources is to be on the basis of need. As discussed previously, "need" is a difficult criteria to establish accurately and, in the past, there have been no comprehensive need surveys to collect data to substantiate needs.

Thus, past allocations have been severely criticized and questioned by many, especially those left out of the process.

Communities long ago designated "homeownership" by the NWT Housing Corporation, usually because of the availability of logs, have received very little housing in the past five years. Homeownership program resources have been inadequate, with the result that housing conditions have deteriorated and overcrowding has become more pronounced. Repair programs for both rental and privately owned homes have been similarly underfunded.

Public housing programs have received the most funding, but even in this area the need far exceeds the number of units that can be supplied.

In the 1982-83 capital allocation, over 65% of the Government of the NWT provided capital dollars were spent in the Baffin, Keewatin, Kitikmeot and Beaufort regions. In 1985/86 (proposed Nov. 1984) over 72% of the Government of the NWT capital allocation of the NWT Housing Corporation will be spent in the same areas. And it is expected that this trend will continue principally to support and add primarily to the Public Housing stock in the Eastern, Central and High Arctic regions. In effect, as long as these regions continue to have strong population growth and few housing resources other than Social Housing provided by the NWT Housing Corporation and maintained by local Housing Associations, increasing portions of Government of the NWT capital funds will be required to maintain current levels of growth and replacement. As a result, two housing allocation systems appear to be in place in the NWT: one for communities which are primarily dependent on rental Public Housing and others which are not.

Chart #1, Page 96, gives a breakdown of Housing Corporation capital expenditures in the 1984 and 1985 building programs distributed by constituencies. Chart #2, Page 97, is a breakdown by numbers of bedrooms created by the housing development which is indicative of solutions to overcrowding.

The 1985 HAP and Rural and Remote distribution is not included as the cost-breakdown per unit, and the bedroom numbers were not available to the Special Committee along with the Five Year Capital Plan of the Housing Corporation. Chart #1 also does not include substantial development costs borne by the Department of Local Government and Department of Public Works and Highways to prepare roads, sites and services for Public Housing erection. Subsequently, these figures are estimates only.

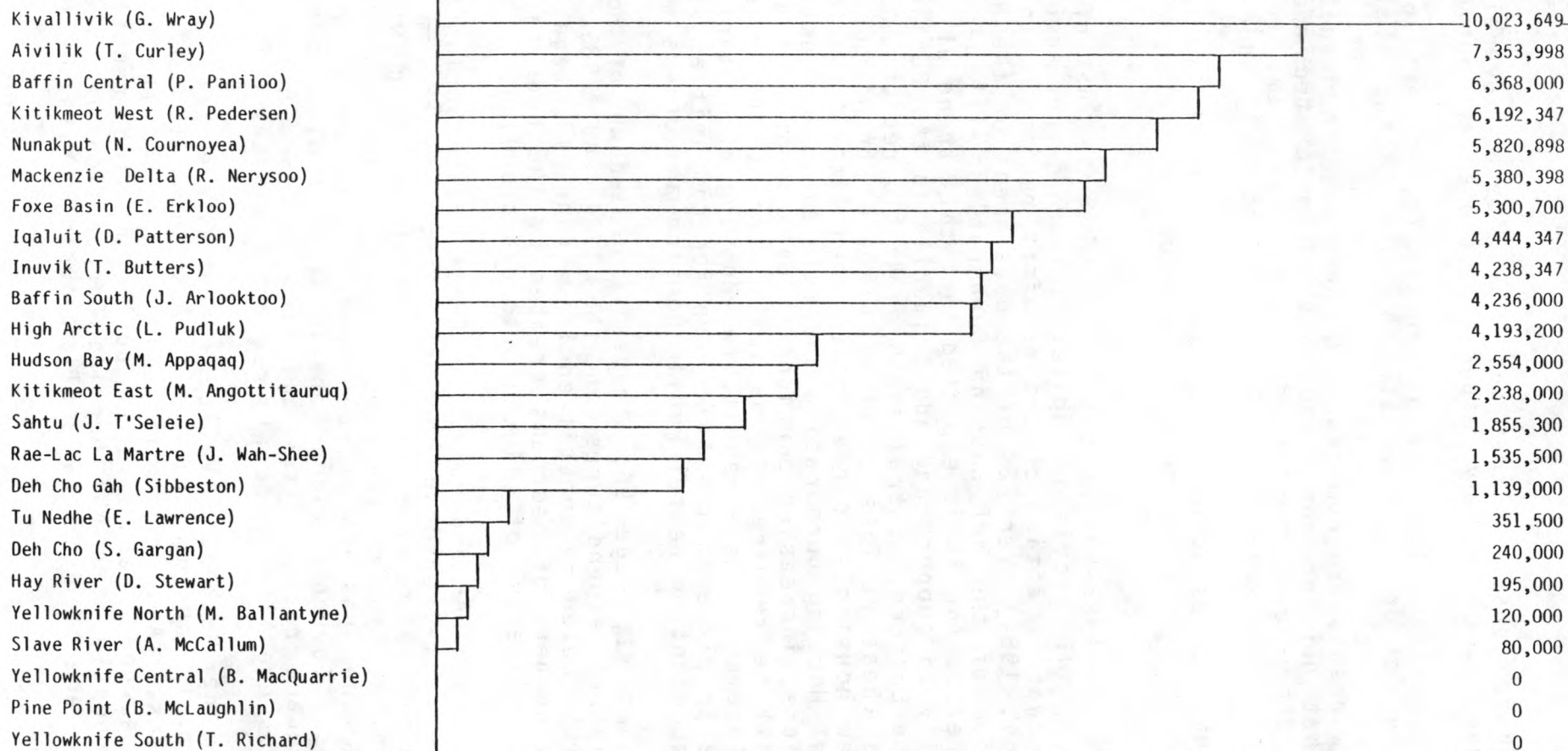
In the Mackenzie Valley, Great Slave Lake area the number of Social Housing units is less than 40% of the total housing stock. And, communities have asserted that they prefer to be homeowners rather than public housing rental tenants. Subsequently, the NWT Housing Corporation has planned for 1985/86 the erection of 76 public housing units in this region. How

Breakdown: 1984-85/  
1985-86

HOUSING CAPITAL DISTRIBUTION  
OF PUBLIC/HOME OWNERSHIP\*

CHART # 1

CONSTITUENCY



\*Total Estimated does not include an additional NWT wide distribution of 1985 Homeownership and 1984/85 EOM, EERP, Furnishings Housing Association equipment or Fire replacement, exceeding \$14,000,000, as specific allocations of amounts to communities are unknown at this time.

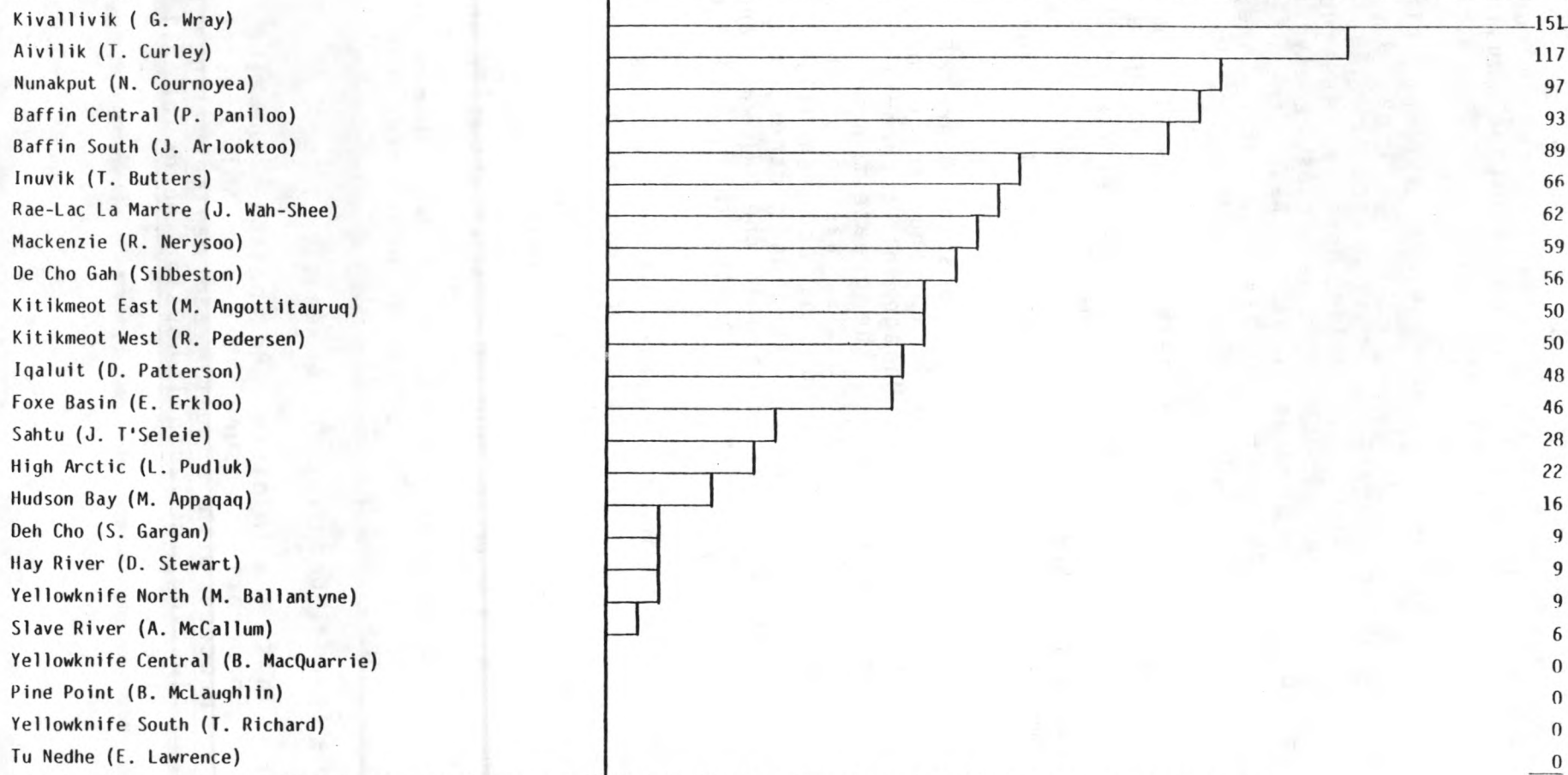
73,907,184

Breakdown: 1984-85/  
1985-86

NEW BEDROOMS DISTRIBUTION  
BY CONSTITUENCY\*

CHART # 2

CONSTITUENCY



\*Total Estimated does not include the 1985 Homeownership Distribution of HAP or R and R which has not been allocated by communities as of this date, January 1985.

these locations and numbers of units are selected is not understood, as the NWT Housing Corporation current "Needs Study" excludes all those not living in public housing, the majority of the population, in the West.

The Central, Eastern and High Arctic communities receive approximately 72% of the 1985/86 projected new social housing units. Again, there appears to be no obvious rationale for this allocation. Including all public housing construction (re-habs and roof replacements), those communities receiving the largest proportion of the Government of the NWT share of capital dollars of \$500,000 or more are: Tuktoyaktuk, Baker Lake, Pond Inlet, Cape Dorset, Eskimo Point and Pangnirtung.

Are these communities selected because they indeed have the greatest need, and, if so, what factors were used to determine this need? Why do these communities receive the highest priority for capital funding? Do they experience the most severe overcrowding? Are their houses in the worst condition? Or, does some other, unidentified factor rank them above other communities in the allocation process?

In 1978 the NWT Housing Corporation Board of Directors adopted a policy "to develop, coordinate and direct social housing programs based on need". The Management interpreted this to mean that they were to respond to the greatest need first and that need, measured in a NWT wide basis, was to be the major criteria for expenditure in public housing and rehabilitation programs. As for CMHC, the principal funding partner, their major objective for promoting Social Housing in the NWT was (and is) to alleviate the greatest need first. To meet this funding criteria the Housing Needs Study program was created.

The fact that many variables other than the current Needs Study data affect the allocation process, as described in the previous section, has had an obvious impact on the development of firm capital planning within the NWT Housing Corporation. It also raises questions regarding the fair and equitable distribution of housing resources across the NWT. For example, if a Housing Corporation Public Housing unit costs \$150,000 to deliver and build and a HAP unit costs \$30,000, the capital cost to house a family under Public Housing is five times as great as under homeownership for the Housing Corporation - a significant factor in financial and policy planning.

The Special Committee recommends:

56. That the Minister Responsible for the NWT Housing Corporation ensure that the NWT Housing Corporation proceed with a multi-year capital allocation plan reflecting the actual housing needs of all NWT communities.

The Special Committee recommends:

57. That the Minister Responsible for Housing make available to the communities the NWT Housing Corporation Five-Year Capital Plan upon approval of the Capital Plan by the Executive Council.

The Special Committee concludes that a method of determining the need for housing that could be measured objectively in all NWT communities is essential. Once an acceptable method of establishing need has been established, capital planning and allocations based on need can be achieved.

The Special Committee recommends:

58. That the NWT Housing Corporation and Canada Mortgage and Housing Corporation create a coordinated approach to provide homeownership, mortgage and rental programs throughout the Northwest Territories that complement each other, are acceptable to the public and encourage the development of the private sector; these developments should originate from suitable Need and Market studies that reflect actual conditions in small and large communities.

## TRAINING

When subsidized rental housing programs were introduced across the Northwest Territories in the 1960's, the Federal government initiated a three-phased community acceptance and home operations plan, in order to prepare northern residents in adjusting to this new way of living. Although somewhat successful in its initial phases, the training and education programs did not take into account the long-term requirements for housing management and administration, construction of new homes, rehabilitation or major repairs that evolved as communities grew larger.

When the NWT Housing Corporation began to deliver programs in 1972, it emphasized the training of Secretary Managers in administration, Boards of Directors in property management and maintenance men in their widespread functions. The One-Write bookkeeping system was introduced to ease and consolidate the financial activity of Housing Associations. Secretary-Managers were offered regional group training workshops; maintenance men took upgrading serviceman training in oil burner repair, carpentry, plumbing and electrical installation; while Boards of Directors, except for occasional meetings with Housing Corporation field staff, made do as best they could with guidance manuals and their own particular leadership and problem solving skills. Some communities prospered and a few suffered periodic crises over money management, but the majority managed to struggle on. The Housing Association and Authorities which managed best were most often those who had skillful Secretary-Managers and Board Chairman.

Nevertheless, it became evident to the Housing Corporation that more formalized and structured training programs were required, especially to reduce the high percentage of Housing Association staff turnover. As a result, a training section was developed at the Head Office of the Housing Corporation. It operated from 1978 to 1983. The functions of the Training group were as follows:

- 1) to deliver training programs for Housing Association staff - both Secretary-Managers and maintenance personnel, Boards of Directors and Housing Federation members;
- 2) to develop training materials, including manuals and videos, for use in workshops, District Offices and Housing Associations;
- 3) to develop and deliver orientation programs for new NWT Housing Corporation employees.

At the peak of its activity, the Training Section employed a staff of eight, including three native northerners, and had a program budget of \$450,000. Responding to training needs identified by Housing Associations, District Offices and Federations, the Training Section staff organized and delivered workshops to Housing Association maintenance staff, secretary-managers, Boards of Directors and District Office staff. Workshops at Federation meetings were also given.

In addition to these workshops, the Training Section also developed a Construction Training Program. In 1982, some 12 communities and over 100 people participated in the program, which was designed to provide on-the-job training to local residents, working on NWT Housing Corporation new construction and rehab projects. Although the program was expensive to operate at first, it was anticipated that a skilled local labor force would emerge which would, in time, be able to replace the work crews imported from outside the community. To this end, work began on a Contractor Training Program, to encourage and develop local contractors.

The Training Section also developed an Orientation Manual and program for new NWT Housing Corporation employees, who were given the materials and the course prior to their assignment to the District Offices.

This emphasis on the NWT Housing Corporation delivering "tailor-made" training programs directly to the Districts and communities was part of the initiative undertaken by the senior management to improve communications and rapport between the NWT Housing Corporation and the communities; to keep track of and encourage maintenance staff from communities to complete the multi-year Housing Maintenance Serviceman program; and to encourage the establishment of Log Building courses for recipients of SSHAG-HAP programs at Thebacha College, for example.

In 1983, following a change in senior management, both the Training Section and, co-incidentally, the Federations, began to be phased out. Both the Training Section staff and budget were cut. The function of the Training section was diminished to one of preparing program manuals. Finally, in 1984, the NWT Housing Corporation transferred its training operations to the Department of Education Advanced Education Division. This was formally in response to a Government of the NWT directive to consolidate all training functions in Departments within the Department of Education. However, it is clear that the Corporation had effectively dispensed with the training initiatives described above well before the Government of the NWT directive was announced. The role of the NWT Housing Corporation Board of Directors in this major policy shift is not documented.

Since the transfer of training from the NWT Housing Corporation to the Department of Education, major changes in both the type of training provided and the level of delivery have occurred.

The training programs relating to housing currently provided by the Department of Education are:

1. Housing Maintenance Serviceman Apprenticeship Program -

A four-year program offered at both the Fort Smith and Iqaluit campuses of Thebacha College, leading to Journeyman certification. This program is unique in Canada.

2. Community Administration Certificate Program -

A correspondence course offered primarily to municipal government employees in general administration but also available to Housing Association managers.

The Special Committee therefore recommends that:

**59. The Department of Education and the NWT Housing Corporation develop a property management training program for Housing Association Secretary-Managers.**

The Special Committee considers that the administration course offered by correspondence is not really helpful to a new Secretary-Manager. Property management is a marketable skill, and other courses are available nationally that might be more relevant. Ideally, though, a property management course designed for northern communities would be the preferred option.

Construction Training

The NWT Housing Corporation and Department of Education are currently working on an Owner-Builder Training Program specifically designed for HAP clients. The curriculum, length of the course and other details have yet to be finalized. The course, to be offered at Thebacha College, is scheduled for 1986.

In summer 1985, the NWT Housing Corporation (Construction Division) plans to hire four or five trainers to assist HAP clients. In addition to on-site supervision, the trainers will provide direct assistance to both log and frame builders. Compliance inspection will also be more frequent. The budget for these trainers, (estimated at \$300,000), will come out of the HAP allocation of funds.

The Hay River District of the Housing Corporation has offered a workshop to its 1985 HAP clients. Siting, land preparation and basic framing, are some of the topics discussed. The workshop was an in-house production, Headquarters and District staff acting as resource people.

In regard to construction training of the type previously offered by the NWT Housing Corporation in Pangnirtung and Frobisher Bay, this type of instruction is not within the NWT Housing Corporation mandate. With the consolidation of training within the Department of Education, it is now up to that Department to respond to training needs. It is a responsibility shared with the Department of Economic Development, whose mandate includes development of small businesses (eg. local contractors).

As the agency tendering building contracts, which are financed by public funds, the Corporation is legally bound to the process of public tender. If the Corporation is directly involved in training local construction workers and developing local contractors, this required legal distance between the Corporation and the contractor is compromised. While the stated policy of the Housing Corporation is to hire locally, where local contractors bid competitively, the Corporation prefers to not be directly involved in construction training - that responsibility remains with the Departments of Economic Development and Education.

The Special Committee therefore recommends:

- 60. That the Departments of Economic Development and Education investigate the feasibility of utilizing EDA funding to provide regional construction training programs as demand requires.**

The Special Committee also recommends:

- 61. That the Departments of Education and Economic Development and Tourism review the apprenticeship programs currently offered at Thebacha College, with a view to possible expansion of the programs to meet demand.**

#### Orientation and Training of Housing Corporation and Housing Associations Employees

The NWT Housing Corporation Personnel Division has developed an orientation program for new Corporation employees. Delivery of the program is the responsibility of the supervisor. The supervisor is provided with a checklist of items about which the new employee is to be informed. All new employees are thus routinely oriented through a standardized program.

Training funds are available under the Management Development activity of the Programs Division. The \$330,000 budget for 1985 is allocated to District Offices upon approval of proposals. It is for workshops and production of program materials.

The NWT Housing Corporation continues to be responsible for providing instruction to Housing Association employees on the day-to-day operations of the Housing Association and training the Housing Association Board of Directors. Although program and operating manuals have been developed, at public meetings of the Special Committee on Housing many Housing Association employees and Directors expressed concern at the lack of training provided by the NWT Housing Corporation.

New Housing Association employees and Board members in the communities do not receive a comparable, systematic orientation to Corporation programs and policies. Orientation and training within the District is the responsibility of the District Office staff, generally the Program Officer. Training modules have been developed and provided to the District Offices, to be used as instruction guides. Their use is not compulsory. And there is no standard evaluation technique by which the training provided can be assessed. The Housing Association Operating Manual contains the primary reference material provided to Association staff.

The Special Committee has found that basic public information on housing programs and how they work is not known in many communities. For example, it is commonly believed that a tenant in arrears cannot run for office as a Director of an Association. Yet, the Special Committee was not able to find any regulation in the manuals that support this policy. Similarly, in public hearings, the Special Committee found that many Housing Associations were unaware that they had the authority to charge Senior Citizens a minimum rent of \$32 a month. However, during the review of the Housing Corporation, senior officials insisted that all Housing Associations, save one, did charge minimum rent to senior citizens.

## CONCLUSIONS

Training workshops are no longer regularly provided by the NWT Housing Corporation in the Districts or in communities. Training of secretary-managers and Housing Association maintenance staff, at the community and District levels, has become the responsibility of District Office staff, aided by program manuals.

The lack of training for Housing Association secretary-managers, maintenance personnel and Boards of Directors was consistently noted in the Special Committee public hearings and meetings with Housing Associations. District Managers also reported that staff hired through Head Office are not always given thorough orientation to Corporation programs and policy prior to assignment to the Districts. Upon arrival, new staff are often required to immediately undertake field work, including training of Housing Association staff, before receiving proper training themselves.

It has been noted that less than 10% of the Housing Corporation staff is made up of native northerners; and only one of those persons maintains a management position.

With regard to training programs for Housing Associations, the submission by the Inuit Non-Profit Housing Corporation to the Special Committee is noteworthy in its understanding of the problem and the possibilities to improve conditions:

"Previous attempts in the Northwest Territories at establishing an effective ongoing training program for the board of directors and staff of housing associations have not met with a resounding rate of success. Many of the shortcomings have been highlighted in the community meetings with the Special Committee on Housing. The base concept of the training program needs to be realized. Once the real purpose of what a training course is supposed to do has been established in consultation with all affective parties, an effective program will follow. Training programs drawn up exclusively by the government are usually designed to make the program delivery function with the preconceived ideas of the appropriate administrative department. While this is certainly a worthwhile, and necessary part of the goal, sometimes it means nothing to the people in the community if they do not understand and accept what "all this paper means and what effect it has". Most of the paper produced appears to have no tangible benefits to the person or group producing the paper, and appears to detract from the important work of trying to manage housing on a day to day basis.

A training program for the boards of directors, with clearly defined guidelines, adapted to the particular needs and talents of the individual board in each community, is essential if the boards are to be able to use their individual and collective talents in the execution of their assigned duties. Each community, each board, and each individual on the board and staff is different - this fact must be recognized and addressed when community training workshop agendas are being prepared. The same concept of individuality must remain uppermost when training programs are being developed for maintenance staff and office workers. If there is an understanding of the particular strengths of the community individuals, then the training programs can be modified to utilize these strengths, to the benefit of the community, the government and the taxpayer. This will require a reasonable degree of ingenuity on the part of the trainers, instructors and

government administrators, as the "shotgun" approach has not worked to the satisfaction of any parties who are looking for the successful completion of a training program, no matter what program it is."

Written Submission from the Inuit Non-Profit Housing Corporation - January, 1985.

The Special Committee recommends:

62. That the Housing Corporation implement standardized training courses for Housing Association employees and members of the local Housing Association/Authority Board of Directors.

The Special Committee recommends:

63. That the Affirmative Action policy of the Government of the NWT, and a plan for the recruitment of northern residents, be implemented by the NWT Housing Corporation to prepare northerners for positions of responsibility, especially in the areas of program delivery to communities.

## ECONOMIC DEVELOPMENT

Until recently, major economic development projects in the NWT have been based on the exploitation of non-renewable resources, such as oil extraction and mining. Almost all of these projects have been undertaken by southern based proponents. Federal approval and assistance for these projects is often justified partially on the basis of employment opportunities being offered to northerners.

As Justice Berger noted in his 1977 Report on the development of a Mackenzie Valley pipeline:

"the fact is that large scale projects based on non-renewable resources have rarely provided permanent employment for any significant number of native people. Even in its own terms, therefore, the (economic development) policy of the past two decades has not been a success..."(Page 117)

Recent action by the Government of the NWT to accord priority status and funding to renewable resource development - projects based on the traditional economic pursuits of hunting, fishing and trapping - should serve to broaden the economic base and employment options of native northerners.

Still, the fact remains that unemployment rates in NWT communities are high, especially in some of the small communities, where the unemployment rate is estimated to run as high as 57%; over five times the Canadian average. High school drop-out rates have increased to alarming proportions in some regions, and young people returning to their home communities are faced with few job prospects and a severe housing shortage which further dispells any hope of economic and personal independence.

Yet, this same housing shortage offers a potential wealth of employment and economic development opportunities. The NWT Housing Corporation estimates that at least 1000 public housing units are needed over the next five years, just to alleviate overcrowding, replace the worst houses and meet the requirement due to population growth. This figure, however, is based on January, 1984 Needs Study data which cannot be regarded as reliable. The shortfall component, especially, is grossly underestimated and it is expected that as the new Needs Surveys are improved and expanded, the estimated housing requirement will increase.

In any case, it is certainly safe to say that the construction of new housing to alleviate the housing shortage would generate substantial economic activity in the communities. But the benefits can be maximized only if northern builders construct the houses, utilizing local labour.

In its Interim Report, the Special Committee on Housing recommended:

"That since there is a long-term requirement for the construction, maintenance and repair of housing in the Northwest Territories, and since the development of an N.W.T. construction industry could be a major vehicle for economic development at the community level, comprehensive economic development opportunities should be identified and appropriate training programs be developed to meet this requirement." (Page 39, Interim Report)

In its examination of the issue of economic development as it relates to housing, the Special Committee reviewed community concerns about training and employment, together with several written submissions that had been received. Interviews with both government personnel and business representatives were conducted, and, in the course of formal hearings, government programs and policies and the concerns of the private sector were reviewed.

The Special Committee concluded that efforts to address the housing shortage must be coordinated with efforts to increase employment opportunities in the communities. The potential exists for the development of a healthy, community-based northern construction industry. But unless efforts are made now to include local people in the building activity that must take place in their communities, northerners will continue to be observers of, and not participants in, another major northern economic development initiative.

In this Section, specific recommendations are offered toward the goals of:

1. increasing local participation in the construction of housing;
2. providing support to northern builders;
3. encouraging development of a building components industry;
4. coordination of employment development efforts with the encouragement of private sector development.

#### Local Employment

PROBLEM: Acute local housing shortages

PROBLEM: High rates of unemployment

The solution seems so simple, so obvious. Put the unemployed to work, building and maintaining the houses they require.

This section outlines the many obstacles that prevent full local participation in community housing development. Also detailed are recent Government of the NWT initiatives designed to overcome these difficulties. The Special Committee has also developed a strategy for implementation of its recommendations in this area.

### Labour

In public hearings the Special Committee heard many criticisms of the practice of hiring southerners to undertake construction and major repair work in the communities. Tender advertisements for NWT Housing Corporation construction projects state that "the lowest or any tender may not necessarily be accepted". However the NWT Housing Corporation is still obligated, through its agreements with Canada Mortgage and Housing Corporation, (CMHC), to comply with the CMHC policy of accepting the lowest bona fide bid. Consequently, despite the Northern Preference Policy, many contracts are still let to southern firms or to northern based firms who import skilled workers from outside the community or even from outside the NWT:

"They are all southern contractors who are building the houses. In the past they used to contract the co-op to build the houses but recently they are just getting southern contractors...It would be possible to build the houses because there are experienced workers in the community because they have been doing some building here. So definitely the Inuit, if they are given the chance to bid on contracts, would be more than willing to do that."

Mr. Ralph Porter - Gjoa Haven Public Hearing  
September 20, 1984

In a written submission to the Special Committee, Frank Pearce, Secretary/Manager of the Hamlet of Arctic Bay and Daniel Aoudla, Secretary/Manager of the Arctic Bay Housing Association state:

"We have discussed the business of local employment with a number of outside contractors and supervisors. Their arguments for bringing in outside labour are as follows:

1. Local people do not possess all the necessary skills.
2. Local labour is slow compared to outside professionals.
3. Local people are unreliable. One never knows when they may leave the job.
4. There are often communication problems and life-style conflicts with local labour.

Basically what it boils down to is that to the contractor time means money. Contractors argue that they can successfully complete a project quicker using labour with who they feel comfortable and confident than by using local labour.

Regardless of the degree of truth in the above arguments there are paradoxes and ironies.

Firstly: In every work force there are both good and not so good workers. From our observations and from comments made by supervisors there are some local workers here who are as good as you may find anywhere. If the supervisor knows his trade well and knows how to handle people, then it matters very little of ones racial background when hiring labour.

Secondly: We have witnessed outside contractors and sub-contractors who suprisingly did not know their job and their efforts resulted in disaster. Local labour forces were used in "undoing" the damage. The question remains why was local labour not used in the first place?

Thirdly, the government spends taxpayers money to train local people in various construction skills. However, when a contractor hires his skilled and non-skilled labour the local trained and experienced person is too often ignored. There is a "Catch 22" situation here. Contractors want the most experienced people they can find providing the costs match performance. How then are local people able to gain this experience if they are not given the opportunity? Eventually the taxpayers money becomes wasted when a person gives up hope amid frustration and despair.

Fourthly: Should we receive tenders for housing construction and retrofitting there are difficulties facing the local contractor. If the tender requires the contractor to purchase all the materials this automatically places a small contractor at a disadvantage who does not have the financial backing. In cases where labour is being tendered there are people who would like to make a bid but who lack the necessary "know how" to properly respond to the tender. There are also those who have the technical skills but do not have the training nor experience to properly read and understand blue prints and specific instructions.

Fifthly: One of the training programs referred to above was an "On The Job Training" project in which qualified professionals were employed from outside the community to supervise retrofit and rehabilitation projects. All other labour was from local sources. At first this project proved very costly. However, as workers become better trained the program proved itself by gradually reducing the cost of the operation. A handful of people received valuable "On the Job Training" and experience. These people are now interested to receive more training to improve and broaden their acquired skills. Upon completion of this program all the housing units passed final inspection.

On another occasion in Arctic Bay five (5) new Weber houses were successfully constructed completely by local labour and contractor in three (3) months. This was proof that houses can be constructed in good time with 100% local labour. The contractor in question has since moved to another community.

Sixthly: The NWT Housing Corporation has not submitted tenders to Arctic Bay for various construction or rehab/retrofit projects.

(Written Submission - F. Pearce and D. Aoudla,  
Arctic Bay, N.W.T. - March 18, 1985)

The issue of providing training to local people so that they can work on construction projects, or start their own contracting firms, is discussed in the Training section of this Report. Training is essential if local people are to obtain maximum benefits from building projects in their communities; and the Special Committee's recommendations outlining how training programs should be expanded and delivered are contained in the section cited above. In most communities, though, at least a small pool of skilled workers can be found, many of whom are qualified to undertake the jobs that outsiders all too often perform. In order to ensure that prospective employers from outside the community can easily identify local workers, the Special Committee recommends:

**64. That communities establish an up to date labour skills registry, which would be of benefit to any contractor in seeking out local labour.**

The registry should be updated at least annually and the municipality should follow up on requests for registry information by maintaining records of employment for each worker. Brief appraisals of work performance should be maintained so that references are available for prospective employers. A standardized request for the appraisal should be developed and adopted for use by all agencies maintaining the registry.

Some NWT contractors are taking advantage of Federal and Territorial Employment assistance programs to cover some of the cost of hiring local people. The Special Committee supports this type of initiative, and recommends:

65. That the NWT Housing Corporation include information on government labour assistance programs with the tender information packages, to encourage contractors to hire local people in the communities.

### Bonding

NHA regulations stipulate that CMHC can enter into cost-sharing agreements only for projects on which the bids and contracts will be secured by bonds. Thus, many NWT Housing Corporation tenders and contracts require contractors to submit a bond in order to be considered for NWT Housing Corporation contracts.

A bond is the sum of money paid by the contractor to the NWT Housing Corporation when filing a bid or entering into a contract. Bonds are required for most major works contracts and all public housing and rehab contracts.

In the case of bid security, the NWT Housing Corporation may require a bid bond of 10% of the bid price. Bid bonds are provided to the NWT Housing Corporation by bonding companies on behalf of the contractor, in exchange for a fee. If the contractor files a security deposit instead, (certified cheques, or an irrevocable letter of loan assignment for bid security, see below), the amount is 5% of the bid price.

The bid bonds and/or security deposits must be filed with the bid. The money is held by the NWT Housing Corporation in trust, (meaning that the NWT Housing Corporation cannot spend or invest the money), until the tender is awarded to the successful bidder. Then the money is returned to all but the successful bidder. This bond may be retained to partially secure the contract.

Thus, bid security provides a guarantee to the NWT Housing Corporation that the contractor will enter into a contract for the amount of money specified in his bid. The bond also indicates that the contractor has access to money, either cash or financial backing. This is essential if he is to undertake a major contract.

Contract security requires the contractor to give the NWT Housing Corporation a guarantee, in the form of a bond or a security deposit, that the work will be completed in accordance with the terms and conditions of the contract. The amount of security required varies, depending on whether bonds or cash securities

are posted. Contract security provides the NWT Housing Corporation with a form of insurance or guarantee of performance and compliance. If, for any reason, the contractor does not complete the project, or does not complete it to the satisfaction of the NWT Housing Corporation, the Corporation can then use the posted contract security to cover its losses.

With the introduction of combined supply/ship and erect contracts, many small northern contractors, especially those operating in the communities, could not afford to post the required security deposits. Furthermore, bonding companies were reluctant to assist many of the smaller contractors.

To assist the local contractor, the Government of the N.W.T. Department of Economic Development recently introduced a Contract Security Program. Through the Business Loans Fund, the Government of the NWT loans money to contractors for use as security for bids and contracts with the NWT Housing Corporation. The Government of the NWT charges a fee of 2% per annum for the service, and assigns the loan to the NWT Housing Corporation on behalf of the contractor. The NWT Housing Corporation accepts this type of security in lieu of bonding or cash securities. The Special Committee endorses and supports the initiative of the Department of Economic Development in offering contract security assistance to northern contractors.

Private sector bonding companies do not have representatives in the NWT, which poses a difficulty for contractors requiring this type of service. At the present time, contractors must deal with bonding companies headquartered outside the NWT. The Special Committee recommends:

66. **That the bonding industry be encouraged to establish offices in the NWT, or at least appoint NWT agents to provide improved access for NWT contractors.**

#### Tenders and Contracts

Current NWT Housing Corporation tender regulations do not require prospective contractors to hire local labour. However, advertisements inviting tenders on NWT Housing Corporation projects state:

"It is an objective of the Housing Corporation that the local community and region may attain the maximum benefit possible for this project. An element in the selection of the successful tender may be the tenderer's utilization of local/regional services, labour sub-contractors and suppliers."

The 1985 tender documents for the NWT Housing Corporation projects contain, for the first time, a requirement for the contractor to state how much local impact the work would have, including estimates of

- local labour to be utilized
- local suppliers to be utilized - including building suppliers, equipment rentals, hotels, etc.
- local sub-contractors to be utilized.

Contractors will also be required to record hours worked and rates paid to local labourers and report generally on funds spent in the community.

The Special Committee supports the initiatives undertaken by the Contracts Section of the NWT Housing Corporation's Construction/Development Division. The reports filed by contractors will provide a record of local economic impact that should be easy to verify. Outside contractors will also now have some motivation to familiarize themselves with local labour resources before bidding on jobs.

While these initiatives are a step in the right direction, the Special Committee is concerned that the contract documents contain no penalty clauses or incentives for contractors who file intentions to use local labour in their tender, and then bring in outside work crews. The system presently contains no safeguards to ensure that contractors deliver on their promises to hire local - an "honour system" approach is utilized.

NWT Housing Corporation officials have stated that the Government of the NWT Business Incentives Policy implies that contractors should use local labour and that contractors are well aware of government's attitude in this regard.

However, the Special Committee feels that the inclusion of local labour must not only be encouraged, but must also be supported in the contracts. The Special Committee therefore recommends:

- 67. That incentives be included in NWT Housing Corporation construction and rehab/repair contracts to ensure that contractors adhere to the local employment levels indicated in their bids.**

In regard to the Business Incentives Policy, Section 14 (2) reads

"Subject to section 11, a contract authority shall only award a contract as a result of an invitation to tender to the tenderer who is responsive, responsible and has submitted a tender lower than that submitted by any other responsive and responsible tenderer."

The Special Committee considers that a prospective contractor's commitment to utilize local labour and services as much as possible is an important element in assessing how "responsive" and "responsible" the contractor is. Therefore, the Special Committee recommends:

68. **That the Business Incentives Policy be amended to clearly indicate the importance of maximizing employment and economic benefits at the local level.**

Involving the community in the tendering process would improve local acceptance of contract awards. In public hearings, communities reported that they were often uninformed of tender calls for projects planned for their communities. The Special Committee would therefore recommend:

69. **That copies of all NWT Housing Corporation tender documents relating to housing repair or construction be sent directly to both the municipal office and the Housing Association/Authority of the relevant community.**

Thus communities would be informed directly of construction and repair plans.

Many communities also requested involvement in the actual opening and awarding of tenders. The Special Committee recognizes the value of such input, but feels the time constraints and travel costs that would be incurred should tender opening and awards take place locally, would be prohibitive. As an alternative, the Special Committee recommends:

70. **That the MLA or MLA's representing project communities be invited to sit in a non-voting, advisory capacity on NWT Housing Corporation tender opening and contract awarding committees.**

Input by the elected representative(s) would provide local scrutiny of the process and help prevent the frequent complaints of lack of consultation with MLA's. Involvement of the MLA(s) would also be a means of ensuring that contractors with good records of hiring local labour are identified and supported, all other factors being equal. Similarly, contractors with unsatisfactory track records in the communities would also be identified.

#### Combined Vs. Separate Supply/Ship and Erect Contracts

Another problem brought to the Special Committee's attention concerns the tendering of combined supply/ship and erect contracts by the NWT Housing Corporation. This year, separate supply/ship and erect contracts are being let in the Keewatin and Kitikmeot regions, on a pilot project basis. The Minister Responsible for

Housing has stated that the projects will be carefully monitored to ensure that cost-overruns do not occur and to evaluate the feasibility of introducing separate erection contracts to other regions in the future.

Combined contracts pose a major problem for the local contractor, who has the capability to undertake the erection portion, but not the supply/ship portion. As outlined previously, NWT Housing Corporation encourages but does not require successful bidders to sub-contract to local companies. With the introduction of large, multi-community, multi-unit combined supply/ship and erect contracts, many local contractors were simply unable to compete.

Separating the supply/ship and erect portions of construction contracts is purported to be a more expensive way to build. Certainly, the time and expense involved in preparing and administering two separate tender calls and contract awards is greater; and it can be argued that the NWT Housing Corporation has an obligation to administer its construction projects in the most efficient manner possible.

If, however, the NWT Housing Corporation is serious about maximizing local participation in its projects, separate contracts are an obvious means of achieving this objective.

Separate contracts are not without their inherent difficulties. In addition to the additional administrative expense, past experience in the Keewatin shows that without careful management, substantial cost overruns can occur. The NWT Housing Corporation attempted to prevent a very common problem - the loss of materials between the supplier and the contractor - by requiring that all materials be "trailerized" in weatherproof and vandal proof containers. The subsequent refusal by the Northern Transportation Company Ltd., (NTCL), to provide these containers for all destinations F.O.B. Churchill meant that NWT Housing Corporation had to revise its requirements. The NWT Housing Corporation still maintains that material shortfalls will be the responsibility of the contractor; and that no cost overruns will occur.

Therefore, although the Special Committee does support separate, rather than combined, supply/ship and erect contracts, it recommends:

71. That the Minister provide a full report to the Legislative Assembly on the performance of the separate supply/ship and erect contracts let in 1985/86 in Keewatin and Kitikmeot, upon completion, and furthermore;
72. That the report contain a full account of local participation in both separate and combined supply/ship and erect contracts, including numbers of workers employed, the type of work, dollars paid out in wages, local spin-off benefits.

### Encouraging the Private Sector

Many of the recommendations in the previous section are directed toward making outside contractors aware of the importance of contributing to local economies.

In this section, recommendations are presented which are designed to encourage and support private sector development in the construction industry, both at the Territorial and local level. Also, recommended are ways and means of developing other small business related to the housing construction industry.

### Government of the Northwest Territories Initiatives

The Government of the Northwest Territories has designated employment as one of its priority goals and, in 1985/86, almost \$8,000,000 of priority funding will be spent on community programs that create jobs for northerners. In addition to affirmative action programs, funding for training and incentives for private sector activity, the Government of the NWT is implementing several new policies and services relating to northern businesses.

The 1.5 million dollars allocated directly to the priority of employment in 1985/86 will be spent on programs delivered by the Departments of Economic Development and Tourism, Education and Personnel. The programs which relate to housing are outlined below, as are relevant programs already established by the Departments.

### Priorities Funding (Department of Economic Development and Tourism)

- a) A new venture capital fund will provide equity capital for northern businesses. Regulations governing administration of the fund will be finalized soon.
- b) In conjunction with the Department of Education, the Department of Economic Development and Tourism will offer an entrepreneurial training program. Again, this pilot program is designed for native northerners who are interested in starting a new business. The training program will be very intensive - successful applicants will attend a 28 day course at Thebacha College in Fort Smith. With the help of instructors who have themselves operated successful businesses, the candidates will learn the basics of business development and operation and will leave the program with a plan for their own business idea. The Special Committee supports training programs of this type, and recommends:

73. That the Entrepreneurial Training Pilot Program be closely monitored by the Department of Economic Development and Tourism and that the Minister Responsible report to the Legislative Assembly in the 1985 Fall Session upon completion of the program with an evaluation of its performance.

Established Programs and Policies

- a) The Economic Development Agreement (EDA), implemented in 1983, established a fund of \$21 million, contributed by the Government of Canada (90%) and the Government of the Northwest Territories (10%). The purpose of the EDA is to develop the Northwest Territories human, natural and business resources in a coordinated fashion.

While the EDA is not intended to fund real estate development, it can be used to finance start-up costs for new northern businesses or expansion costs of existing businesses. A variety of EDA and existing programs are designed to fund new ventures. All operate within specific eligibility criteria.

A Business Management Development Program provides funding for the training of northerners as business managers.

Options North provides funds for counsellors to prepare local people for training and employment in community based projects.

The Forest Resource Development Program funds commercial developments producing lumber, etc., from NWT forests.

The Business Assistance Program offers assistance to northerners in the areas of opportunity identification - funding for feasibility studies; small business development incentives - funding to establish, expand or modernize facilities of existing businesses; business services infrastructure - funding to attract professionals such as accountants, lawyers, etc., to regions that require such expertise; and small business interns - funding for small businesses to hire skilled managers.

Further information is available from the EDA Secretariat, Department of Economic Development and Tourism, Government of the Northwest Territories or from the Canada Employment and Immigration Commission. In the communities, the Executive Service Officer, Government of the NWT, can provide information to people interested in finding out more about the EDA and other Government of the NWT programs that assist new and existing business.

Other programs administered by the Department of Economic Development include:

- Business Loans and Guarantees Fund
- Special ARDA
- Eskimo Loan Fund
- Financial Assistance to Business
- Business Development

The Department also offers assistance to cooperatives.

The Special Committee would like to see the EDA and other Government of the N.W.T. business assistance programs more fully utilized by people in the communities. It is important that the Department of Economic Development continue its efforts to publicize the EDA and ensure that potential applicants do not get lost in a maze of red tape and paperwork.

The Training Section of this Report, dealt with the use of EDA funding for training and employment development in the communities.

The Special Committee considers that the Government of the NWT priorities of employment and economic renewal are very much in agreement with the stated purpose of the EDA - that is, to provide "a cooperative and coordinated approach to the development of the human, natural and business resources of the NWT". The development of a northern construction industry to respond to the housing shortage is a long-term goal that involves the Northwest Territories human, natural and business resources.

In the 1984 Government of the NWT Annual Report, the Minister of Economic Development stated that, in 1984, \$4.5 million was approved for over 100 projects. It has been brought to the Special Committee's attention, and indeed it has been observed by members of the Special Committee themselves, that EDA money should be targeted to specific sectors of the NWT economy. In this way, the objective of coordinating the goals set out in the EDA with the Government of the N.W.T. Priorities can be met. In our opinion, the present piecemeal approach will result in EDA funds being "nickel and dimed away" without the desired goals of developing long-term, self-supporting initiatives.

Therefore, the Special Committee recommends:

- 74. That the Minister of Economic Development initiate negotiations with the Federal Government to direct a portion of the remaining EDA funds to the development of the northern housing industry in accordance with established Government of the N.W.T. Priorities, and, furthermore;**

75. That, prior to such negotiations taking place, the Ministers of Economic Development and Tourism, Education and Housing initiate a study to identify how EDA funds could be most effectively utilized to achieve the objective of the development of the northern housing industry.

The Special Committee found, in the course of public hearings, that while interest was expressed in developing new businesses in the communities, to take advantage of the NWT Housing Corporations expanded public housing construction program, people were unsure of what types of assistance programs were available.

Therefore, the Special Committee recommends:

76. That immediate efforts be undertaken by the Department of Economic Development and Tourism to further publicize and promote at the community level not only the EDA, but also its other programs that could be of benefit in meeting the objective of developing the northern housing industry.

The Department of Economic Development has also begun a workshop program, directed at providing training to people in small business. Offered through the Departments Business Development section, these workshops have been presented primarily in the eastern regions.

The Special Committee endorses this initiative and recommends:

77. That the Department of Economic Development and Tourism, together with the Department of Education, ensure that business training workshops are available throughout the NWT.

The Special Committee recognizes that the Federal Business Development Bank (FBDB) provides a similar service. It is not our intent to propose a duplication, but merely an additional service, especially in those areas not served by FBDB.

## PART FIVE: THE NWT HOUSING CORPORATION

The NWT Housing Corporation was created in 1973. Its powers and responsibilities are defined by "An Ordinance Respecting a Housing Corporation for the Northwest Territories".

The organization of the NWT Housing Corporation is outlined in Figure 5.1; reporting relationships are indicated.

### Objectives

The NWT Housing Corporation revised its objectives in May, 1983. The main objective is:

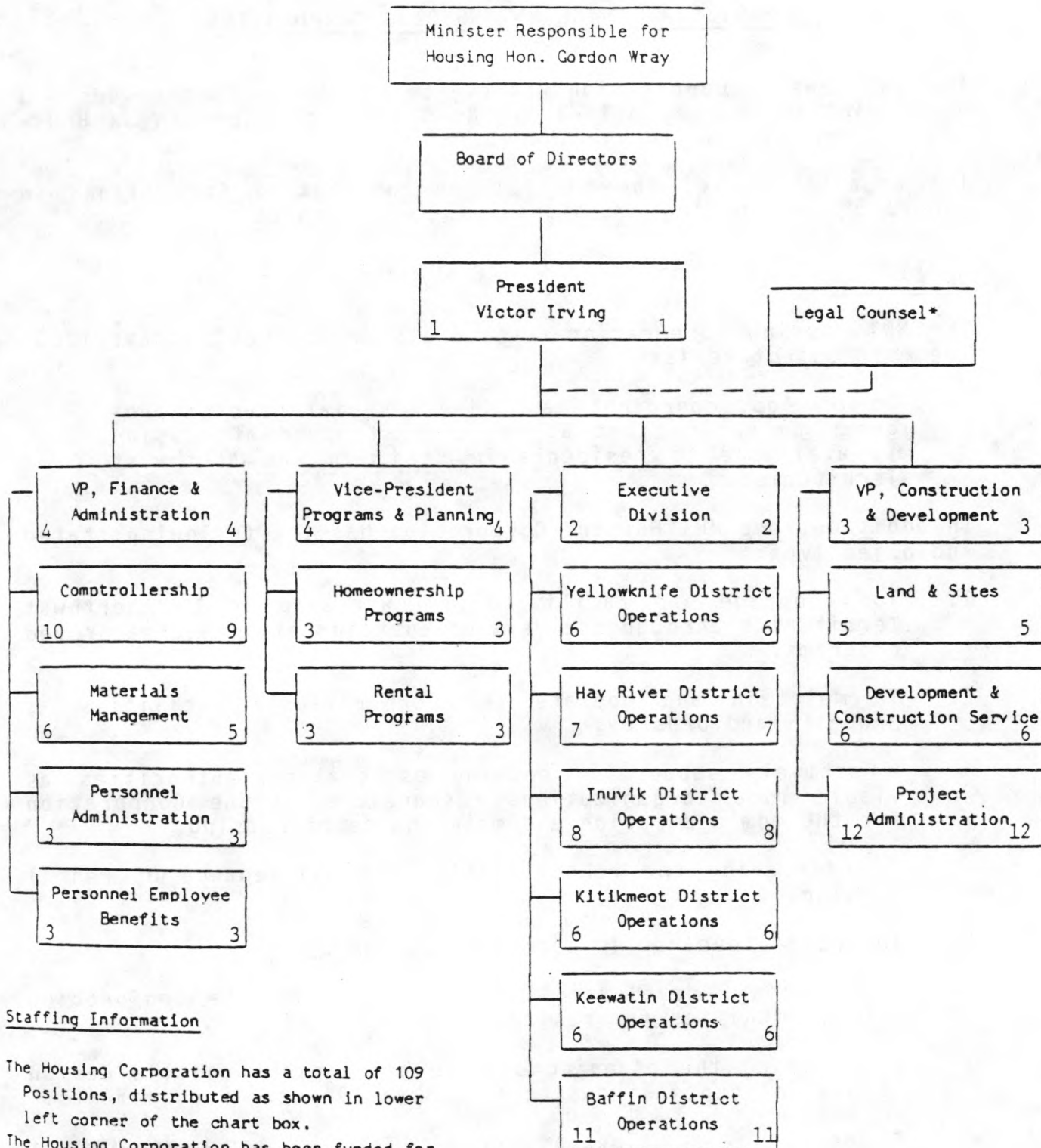
To develop, coordinate and direct social housing programs to ensure that an adequate standard of housing is available to residents in need, in the Northwest Territories.

In addition, the NWT Housing Corporation has the following stated sub-objectives:

1. To encourage and facilitate homeownership in the Northwest Territories through the development and delivery of approved programs.
2. To maintain and operate the Corporation's facilities as prudent landlords by:
  - actively supporting housing associations/authorities as viable local organizations responsible to the Corporation for the administration and maintenance of housing,
  - undertaking the rehabilitation and maintenance of rental housing.
3. To become involved in community design by:
  - acquiring, developing and providing land in conjunction with communities for residential housing,
  - providing the planning of site development and the design of new residential housing that satisfy local requirements.
4. To develop and maintain programs for the accommodation of senior citizens, single persons, individuals requiring minimal care, trainees and apprentices.
5. To develop and maintain a program for the research and construction of experimental housing.

FIGURE 5-1

ORGANIZATION CHART  
NORTHWEST TERRITORIES HOUSING CORPORATION



Staffing Information

The Housing Corporation has a total of 109 Positions, distributed as shown in lower left corner of the chart box.

The Housing Corporation has been funded for 107 Person Years, distributed as shown in lower right corner of the chart box.

\*Legal Counsel is provided by Justice and Public Services on a cost recoverable basis.

Symbol Key

- Denotes direct reporting relationship.
- - - - Denotes policy reporting relationship.

SOURCE:  
GOVERNMENT OF THE NORTHWEST  
TERRITORIES 1985/86 MAIN ESTIMATES

As outlined in detail in Part Four of this Report, the Special Committee has concluded that the NWT Housing Corporation has made some progress in meeting its main objective. However, the NWT Housing Corporation failed to meet many of its sub-objectives, to the point where the usefulness of maintaining the NWT Housing Corporation in its present form has been questioned.

### Ministerial Authority

In his 1985-86 Budget speech in February, 1985, the Honourable Gordon Wray, Minister Responsible for the Northwest Territories Housing Corporation, did not mention the role the NWT Housing Corporation Board had in policy making or in the decision process. In fact, the Board of Directors was never mentioned in the Budget speech. Any references to policy or decision making is referred to as decisions made by the Executive Council and the Minister.

In attempting to clarify the role of the Minister and the Executive Council, the Honourable Gordon Wray gave to the Special Committee a description of how he perceives the functioning of the Housing Corporation:

"At earlier hearings of this committee it has been suggested that the Corporation does business under the sole direction of its officers and is unaccountable to this government. This is simply not the case at all. In terms of its accountability the Corporation really is not any different from a government department. They report to me as Minister and I am responsible for them in the Legislative Assembly. They take direction from the Legislative Assembly and Executive Council in the same manner as any other government department responsible to a minister.

The primary difference is the Corporation's board of directors and this structure can be a significant benefit. The board is a group of NWT citizens appointed by myself through a motion in the Legislature. They review the policies and operations of the Corporation and make recommendations to me. The board is not meant to be representative like the Legislative Assembly although its members are a cross section of the NWT. The Board acts in an advisory capacity and enables the minister to get advice and consultation from a group specifically interested in housing matters. However, the Board does not direct the Minister.

Although there have been suggestions that the Corporation's structure is the root of some of the housing problems, I believe that changes to make the Corporation more like a department would be purely cosmetic because essentially, the Corporation is a government department with an advisory board."

(The Honourable Gordon Wray, Baker Lake, NWT:  
October 9, 1984)

The Minister then proceeds to explain that the Board of Directors of the Housing Corporation was formed "to allow the public a voice in the affairs of the Corporation". However, in his Budget speech, the Minister states that "local input is crucial to the development of realistic and meaningful capital plans, and I intend to make sure that such input becomes an integral component in the development of all future Corporation budgets".

The role of the Board of Directors is, however, clearly outlined in the NWT Housing Corporation Ordinance.

#### The Board of Directors

When the NWT Housing Corporation was first established, the Commissioner of the NWT was the sole authority who appointed the seven Board members (with the recommendation of the NWT Council). The Commissioner designated one of the members to be Chairman of the Board, another to be Deputy Chairman and the General Manager was appointed as the Chief Executive by the Commissioner, with the General Manager holding office upon terms established by the Board of Directors. The General Manager supervised and directed the work of the staff.

In 1981 the Ordinance was amended so that the Minister Responsible for Housing took over the tasks of the Commissioner. The General Manager became the President. The Board was increased to 10 members (13 in 1983) appointed by the Executive member upon recommendations from the Council (Legislative Assembly). The President was appointed by the Executive member with a recommendation by the Board of Directors.

In nearly all areas of the Amended Ordinance the role of the Commissioner was replaced by the Executive Member. Nevertheless, the authority and powers of the Board of Directors, as established in 1972, remained in place after the 1981 Ordinance amendment.

The Directors of the Housing Corporation have a broad range of powers, subject to By-laws relating to conflicts of interest. The Chairman of the Board of Directors appoints members to Committees responsible for the Housing Corporation Audit, Policies or any other area that the Board considers necessary. And the Housing Corporation staff are to be made available to the Directors in providing assistance.

It is the responsibility of the President to keep the Chairman of the Board informed on all management decisions affecting Housing Corporation policy. And it is the Board of Directors who are responsible for enacting, repealing or amending By-laws of the NWT Housing Corporation.

The Board is also empowered to enter into contracts and agreements to acquire and dispose of property, undertake and develop lands, make grants and loans to municipalities to develop land assemblies, establish mortgages, acquire existing buildings and to design homes and allocate housing resources. Specifically the Housing Corporation is directed to provide housing to various priority groups: senior citizens; families and individuals receiving social allowances or social assistance; individuals requiring minimal nursing care; families, individuals, students or apprentices and their families; staff housing; and cooperative or non-profit organizations.

Overall, the Board of Directors set the policies for the Executive members approval. These policies form the programs and services of the NWT Housing Corporation.

Many of the original Board of Directors (1973) and senior staff members of the NWT Housing Corporation were members of the 1972 Task Force on Housing. And, it was under their direction that the first District offices and housing delivery programs, primarily of Public Housing rental programs, took place. Decisions on the allocation of housing were made by the Board and Senior management, primarily to alleviate chronic housing shortages and to correct maintenance deficiencies in the Northern Rental Purchase units. Renovations, modernization and the rehabilitation of existing units did not become capital budgeting priorities until the latter part of the 1970's. Homeownership distribution was limited to the Small Settlements Home Assistance Grant (evolving later into the Homeownership Assistance Program) some Interim Financing assistance for home builders and the administration of the inherited Territorial Mortgage program, which consisted of collecting payments and keeping accounts - no new mortgages were entered into.

Increasing the funding for housing and providing for representation from NWT communities was the cornerstone for the development and ongoing function of the Housing Corporation. In addition the NWT Housing Corporation could now receive funding from two major sources: the Government of the Northwest Territories; and the Canada Mortgage and Housing Corporation, through programs funded under the National Housing Act. The cost sharing programs, principally under National Housing Act sections 40 and 43, over the years, has required that the NWT Housing Corporation Board of Directors set up a planning process for selecting communities which will receive housing allocations and other resources. In order to coordinate activities, the Board of Directors and Senior management of the NWT Housing Corporation joined with CMHC and established a Joint Task Force on Northern Housing Policy.

Following the formulation of the Integrated Housing Policy in 1976, the Executive Committee of the Council of the NWT recommended that "no new policies approved by the Corporation Board of Directors will be implemented without prior approval of the Executive Committee". However, the Ordinance was not amended accordingly.

In 1984, the Minister appointed a new Chairman of the Board of Directors, Gary Jaeb of Rae-Edzo. Mr. Jaeb is the first Chairman of the Board who is not a public servant. Current membership of the Board is from across the Northwest Territories:

Tom Owljoot (Deputy-Chairman)	Eskimo Point
Steve Brooks	Hay River
Simeonie Amagoalik	Resolute Bay
Henry Ohokannoak	Cambridge Bay
Charles Haogak	Sachs Harbour
Gabe Hardisty	Fort Wrigley
Gerry Cheezie	Fort Smith
Simonie Alainga	Frobisher Bay
Mrs. Margaret Thom	Fort Providence
Mrs. Carrol Bennett	Inuvik
Phillip Nukapial	Rankin Inlet
Victor Irving (President)	Yellowknife

The Special Committee has met with the Chairman and members of the Board on a number of occasions. The new Board appears to be making efforts to exert its influence on various aspects of NWT Housing Corporation operations. For example, the Board has established committees to review NWT Housing Corporation activity in the areas of policy, finances/audits and capital planning.

The Special Committee considers that these efforts are in accordance with the role of the Board as outlined in the Ordinance. However, the Special Committee considers that appointed Board members, however carefully chosen, do not have as strong a mandate as do elected officials. The members of the Board are not

formally accountable to their communities or regions. With the establishment of Regional Councils, it is the opinion of the Special Committee that NWT Housing Corporation Board members could be selected from these bodies.

The Special Committee therefore recommends:

- 78. That the membership of the NWT Housing Corporation Board of Directors include elected representatives of Regional Councils.**

#### POLICY DEVELOPMENT

As outlined in Part One, The NWT Housing Corporation inherited Federal Government policy along with the Northern Rental Housing Program. With the introduction of NHA financed public housing, CMHC rental scales and other restrictions were imposed.

However, the NWT Housing Corporation has made efforts in the past to develop policies that reflect northern concerns. One of the major efforts made in this regard was the 1979 Joint CMHC/NWT Housing Corporation Task Force on Housing.

In the review of the recommendations of this plan which follows, it will be shown that over the last three years (1983-85) there has been a significant shift away from the 1979 Task Force agreements. Many of the Task Force 1979 recommendations, although pursued into 1982, are now unfulfilled and the present management and direction of the NWT Housing Corporation appears to not agree with the commitments made in the Task Force Report (1979) and the follow-up Review (1982).

This abrupt change in direction appears to have caused a major turnover in senior and middle-management staff in the Housing Corporation. It has also resulted, according to written submissions to the Special Committee and from testimony received, in confusion and dissatisfaction in NWT communities and in housing agencies.

Following are the major policy goals of the NWT Housing Corporation as approved in the 1979 Task Force Report. They were updated and reviewed by CMHC and the NWT Housing Corporation in 1982. Finally, the NWT Housing Corporation position as of July, 1984 is presented directly as received from the NWT Housing Corporation Corporate Secretary.

#### REVIEW OF THE 1979 JOINT TASK FORCE REPORT

When the CMHC/NWTHC Task Force completed their work in 1979, it was agreed that there should be a periodic review of its recommendations and findings.

This 1982 review was completed and the following is intended to present major changes in policy and practice that have taken place since 1979, and outlines 1984 policy directions.

Recommendation A:

1979  
Task Force  
Recommendation

That a Housing Policy Development Group be established to develop, and to advise the NWTHC on policy matters connected with all aspects of housing. The group will consist of representatives of northern residents, native people's organizations and the federal and territorial governments.

1982  
Review  
CMHC/NWTHC

It was decided that a single Housing Policy Development Group would be less effective than regional groups, and therefore the NWTHC has created Federations of Housing Associations as the effective forum for policy and program consultation.

Federations have been established in the Keewatin, Baffin and Central Arctic regions and similar representative groups will be set up in the western part of the Territory.

1984  
Housing Corp  
Position

The use of the Federations as policy development groups has not been satisfactory. Federations are not politically sanctioned, nor have they the mandate and on-going sources of funding to support them as viable policy groups. They currently operate like interest groups.

The Corporation prefers to work directly with the Board of Directors of the Northwest Territories Housing Corporation, as the representative and legally sanctioned organization, for the development of housing policy. As well, Housing Associations form a direct communication link from the community to the Corporation. The Corporation continues to maintain a close relationship with Associations; their input is an integral part of the Corporation's policy network.

Recommendation B:

1979  
Task Force  
Recommendation

That conference/workshops be held to permit officials of municipalities and housing associations to meet regularly with the Housing Policy Development Group. The conference/workshops are to be held within areas whose people have a community of interest, rather than in the administrative districts used by the NWT HC, and at intervals of no more than two years.

1982  
Review  
CMHC/NWTHC

These conferences were being held before the 1979 report was written, and the cost was shared equally between CMHC and the NWT HC. At that time there was some uncertainty as to the availability of future funding. However, their success has impressed both funding partners and it is anticipated that the conference/workshops will continue to be an important element in the policy development process, and that adequate funds will be made available for this activity to continue.

1984  
Housing Corp.  
Position

Conferences have experienced their greatest success when they function as informational exchanges. They have not proved to be conducive to policy development. The Corporation and communities benefit most when we are able to work one on one with Associations at the local level, and can reduce the number of third party housing bodies.

Recommendation C:

1979  
Task Force  
Recommendation

That a five-year education, training and development program be implemented to ensure that communities develop a capability to plan, deliver and manage housing suitable to their needs. The program is to be put together by co-ordinating existing programs and funding from federal and territorial sources, with the addition of new funding as may be necessary.

1982  
Review  
CMHC/NWTHC

The education, training and development program was augmented in 1979 and the NWT HC has extended its facilities for developing community skills in construction, administration and in operating small business ventures.

Although assistance has been received from Canada Manpower, CMHC, the GNWT and others, funding for the program is still inadequate if the objective of greater community autonomy is to be achieved within the five-year target, and the NWTTC recognizes that further attention must be given to the co-ordination and augmentation of training initiatives.

1984  
Housing Corp.  
Position

Under the current arrangement, the Department of Education has the responsibility for all general training in the Northwest Territories. This will allow the Corporation to target job specific skills, rather than attempting to provide training in all areas.

The NWTTC does not negotiate contracts for Public Housing, Rehabs, Retrofit Roofs or Rural and Remote Housing. Retrofit roofs and small contracts for gravel grading, piles, etc. are sometimes done by invitational tenders in the particular community in which the work is done.

The NWTTC does allow other forms of security other than bonding.

Recommendation D:

1979  
Task Force  
Recommendation

That a plant for the production of prefabricated houses, the assembly of housing packages for on-site construction and for the teaching of house construction skills should be established at Hay River and at Frobisher Bay.

1982  
Review  
CMHC/NWTTC

A plant has been established at Hay River and is now in its second year of operation.

Frobisher Bay has been the location of a major part of the construction training program and is well situated to provide housing for the eastern Arctic, and it is hoped to pursue this proposal, although more experience will have to be gained from the operation of the Hay River plant in the economic viability of this kind of activity. The NWTTC continued dialogue with the Inuit Development Corporation with a view to their participation in this venture.

1984  
Housing Corp.  
Position

The NWTHC is not using prefabricated housing in the Territories at the present time, as there are a number of problems with that particular type of construction.

Recommendation E:

1979  
Task Force  
Recommendation

That a reliable method of life-cycle costing continue to be developed by the NWTHC for the determination of optimum capital of existing housing in the north.

1982  
Review  
CMHC/NWTHC

This work has been started and efforts will continue in 1982 to establish a workable formula.

1984  
Housing Corp.  
Position

Given sufficient man hours, funding and resources, this recommendation is favoured.

NOTE:

Life cycle costing for capital expenditures is the method for determining what is the most economic method for increasing the cost of construction to gain benefits from energy conservation and lower maintenance and operation costs in the future.

Recommendation F:

1979  
Task Force  
Recommendation

That the assembly of serviced land should continue to be conducted under Section 40 NHA with direct loans from CMHC until the feasibility of obtaining loans from private lenders with loan insurance under Section 6 NHA.

1982  
Review  
CMHC/NWTHC

This is being done.

1984  
Housing Corp.  
Position

No comment.

NOTE:

There has been inter-agency and regional problems with land development in many areas of the N.W.T. The CMHC role in land assembly financing is no longer as described above.

Recommendation G:

1979  
Task Force  
Recommendation

That subsidies should be designed to assist all people living in the north to reduce their dependency on governments for the production and management of housing, and that public subsidies should be made available to all people living in the north on a basis of need, whether they are native northerners, public or private staff or others.

Recommendation J:

1979  
Task Force  
Recommendation

That the Government of the Northwest Territories, together with the NWTTC, consult with federal government to determine the feasibility of a residential fuel and utility subsidy to reduce the costs to levels that will provide adequate energy to dwellings throughout the Territory at an annual cost to the occupant of no more than that at Yellowknife or other selected basic rates.

It is further recommended that an economic study of universal fuel and utility subsidies be undertaken immediately to determine the costs of means of implementation of the proposal.

1982  
Review  
CMHC/NWTTC

Recommendations G and J are taken together since both propose universal subsidies for accommodation and utilities.

The underlying purpose of these recommendations was to have all people of the north subject to the same rules of assistance, whether they were native people, federal and territorial staff, or other residents, in effect to treat northerners as one people.

Both recommendations lie outside the jurisdiction of the NWTTC and CMHC, but are supported by both agencies as the present variety of assistance measures tends emphasize social and racial disparities.

Some advances have been made and public and Territorial staff will now pay the same maximum rent at the top of the rent-to-income scale, and both will be operating on a user-pay system for utilities.\*

\*NOTE: This has taken place in random locations.

1984  
Housing Corp.  
Position

The provision of fuel and utility subsidies is critical if homeownership is to become a viable alternative to public housing. The Corporation should not be charged with the responsibility to administer this program, but is solidly in favour of this recommendation.

The Housing Corporation has put a user pay program for electricity into place. All major centres are on this program along with all Western Arctic communities.\* Full implementation is expected by January, 1985. The GNWT has not yet implemented a user pay for electricity and it is unknown when it will be in place.

There are currently no plans to introduce user pay for any other utility.

The current housing situation in the north precluded any blanket provision of accommodation subsidies. Tenants of public housing in the N.W.T. are subsidized to a greater degree than in any other province of Canada. A review of the whole structure of house delivery is required.

\*NOTE: Thirteen communities have reported to be on the User-Pay system for electricity at various rates (March, 1985).

Recommendation H:

1979  
Task Force  
Recommendation

That the Small Settlements Housing Grants (NWTHC) be extended to people in larger settlements and at higher levels of income.

1982  
Review  
CMHC/NWTHC

This program has been revised to provide a more adequate response to community requirements.

1984  
Housing Corp.  
Position

The Homeownership Assistance Program is available in all communities because of the introduction of frame designs. Modified or "basic" material packages have been incorporated to the program to broaden the eligibility guidelines. The program is tailored to individual needs.

NOTE: The municipality of Yellowknife remains excluded.

Recommendation I:

- 1979  
Task Force  
Recommendation
- That the provisions of the Rural and Native Housing Program (NHA) be extended to cover the entire Territory.
- 1982  
Review  
CMHC/NWTHC
- This has not been accepted by CMHC and is unlikely that this policy will be revised.
- 1984  
Housing Corp.  
Position
- The Corporation will continue to support efforts to extend the Rural and Native Program across the entire Northwest Territories.

Recommendation J see G

Recommendation K:

- 1979  
Task Force  
Recommendation
- That the provisions of Sections 40 and 43 of the NHA be retained for application in the N.W.T.
- 1982  
Review  
CMHC/NWTHC
- These Sections have been retained for the N.W.T.
- 1984  
Housing Corp.  
Position
- The Corporation has moved away from utilizing Section 43 to construct public housing; Section 40 is used in all cases.

Recommendation L:

- 1979  
Task Force  
Recommendation
- That amendments to modify and upgrade the Residential Standards for use in areas subject to continuous or sporadic permafrost be developed by the NWTHC in conjunction with the review now being undertaken by CMHC.
- 1982  
Review  
CMHC/NWTHC
- A review of the residential standards has been completed by CMHC to determine their suitability for remote and rural areas. Action on this study has been deferred, but will form part of a general review of the Residential Standards by NRC.

Seven low-energy houses incorporating improved foundation, layout and servicing features have been constructed in the Keewatin, and these and other improved northern houses are being monitored to determine their performance. It is anticipated that a group, chaired by EMR (Canada) will begin the development of guidelines in 1982, based on the results of the monitoring program.

The National Energy Program proposes that a construction standard be developed for Arctic areas.

1984  
Housing Corp.  
Position

Agreed that there should be a "Northern Residential Standard" used universally in the Northwest Territories. The N.W.T. Housing Corporation is presently a committee member of a Northern Residential Standards for Energy Efficient Housing.

\*NOTE This Building Standard has not been implemented.

Recommendation N:

1979  
Task Force  
Recommendation

That a manual of good practice for the design and construction of housing north of the limits of permafrost should be prepared and maintained as an integral part of the education, training and Development program of the NWTHC.

1982  
Review  
CMHC/NWTHC

NWTHC and CMHC have reservations regarding the effectiveness of this proposal. However, the development of a Good Practice Manual or handbook still is supported as a desirable and necessary objective.

1984  
Housing Corp.  
Position

The N.W.T. Housing Corporation does not need a good practice manual for its own use. We are always using the best methods and materials as they are developed by their practical use in the North.

Recommendation M:

1979  
Task Force  
Recommendation

That adjustments to the Maximum Unit Price for Superinsulation measures should be made available as a grant for all new housing in the NWT, and as a replacement for grants available under the Canadian Home Insulation Program for the upgrading of existing houses to acceptable energy conservation levels.

1982  
Review  
CMHC/NWTHC

Not implemented. The Maximum Unit Price now permits the construction of new housing up to very high levels of insulation, but as a component of the loan and not as a grant.

Assistance under the Residential Rehabilitation Program also accepts the need for high levels of insulation, as do the proposals for the revised Rural and Native Housing Program.

Under the National Energy program, CHIP grants in the Territory will be increased by \$800.00 to a total of \$1300.00 per unit.

1984  
Housing Corp.  
Position

High levels of insulation are covered by the CMHC maximum unit price in new housing and rehabs.

**NOTE:**

CHIP and other EHR-CMHC delivered programs are now under national review, many are planned to be phased-out in 1985/86.

Recommendation O:

1979  
Task Force  
Recommendation

That a Policy Development Group should advise on the development and selection of house designs based on the regional needs and preferences of the people of the north.

1982  
Review  
CMHC/NWTHC

Design of all housing is now done in conjunction with the Design Committees of the Federation and, where feasible, with local communities.

1984  
Housing Corp.  
Position

The N.W.T. Housing Corporation continues to consult with the Housing Associations in each community to establish their needs and preferences.

Recommendation P:

1979  
Task Force  
Recommendation

That the NWTHC together with the Government of the Northwest Territories and federal agencies examine the feasibility of establishing a permafrost research institution in the NWT.

1982  
Review  
CMHC/NWTHC

The purpose of this institution would be to undertake and co-ordinate research related to housing matters for the permafrost areas of Canada.

This has not proved feasible, and a new proposal is required.

1984  
Housing Corp.  
Position

It would be useful to establish a permafrost research and information department of the Government of the Northwest Territories.

### HOUSING ASSOCIATIONS

The historical development and current role of Housing Associations and authorities is discussed throughout this Report. Many of the concerns brought to the Special Committee's attention by Housing Association Boards of Directors have been addressed, in the recommendations of the Final Report.

In terms of options for local control, the Special Committee considers that the inclusion of Housing Associations in municipal structures, or Community/Band Councils, would be desirable in many communities.

Both the Town of Frobisher Bay and the Hamlet of Sanikiluaq have recently entered into agreements with the NWT Housing Corporation for the management of the Corporation's rental housing in those communities. The Special Committee therefore recommends:

- 79. That municipal and community councils be given the option of taking over administration of NWT Housing Corporation programs.**

### HOUSING FEDERATIONS

With the recent development of Regional Councils, the role of regional Housing Federations needs to be examined.

As outlined in Part One, the current status of funding of Housing Federations varies considerably throughout the Northwest Territories. Furthermore, Federations have no legal authority and their role as legitimate advisory bodies is currently not recognized by the NWT Housing Corporation. Nevertheless, the Special Committee considers that the existence of regional forums of housing concerns should be supported and suggests that Federations consider becoming part of the stronger Regional Councils, especially if municipalities take over housing management.

The Special Committee therefore recommends:

- 80. That Regional and/or Tribal Councils, (and municipalities which do not belong to Regional or Tribal Councils), establish Housing Committees to coordinate and develop housing concerns and initiatives.**

## FINANCING THE HOUSING CORPORATION

The cost of subsidizing housing by government is high. It has been estimated that the total cash flow requirements for housing in Canada from 1980 to 1982 was over \$3.75 billion dollars with the Canada Mortgage and Housing Corporation, (CMHC), picking up approximately 59% of the total.

Over the last seven years a great deal of national discussion has taken place on understanding trends in housing production and rehabilitation programs, the role of financial support of housing by the federal, provincial and territorial governments and the future budgetary requirements for housing. In fact, many Provinces have agreed that a revised form of federalism, where there is a combination of tax points and block funding from the national government is the only way to solve the complex rules and regulations imposed by national programs that simply do not fit all situations or regions, particularly the North.

The Northwest Territories, unlike other jurisdictions is heavily dependent on CMHC programs for rental housing, rehabilitation and homownership programs, because the private housing sector is so small in most communities. As a result, the NWT Housing Corporation, in nearly all cases, does not design programs that are suitable in the Northern economy. Programs are adopted from the Federal government "basket of offerings" that seem to fit.

The Minister Responsible for Housing, Mr. Wray, meeting with the Special Committee in October, 1984, in Baker Lake admitted that the NWT Housing Corporation was dependent on CMHC funded programs: "Because of the general lack of funding, the Corporation has turned its attention towards assisted housing exclusively, hoping that the private market will produce enough units to take care of those who could afford the full cost. Unfortunately, it has not."

The NWT Housing Corporation budget for the 1985-1986 fiscal year is \$113,571,000. Of the total amount, \$54,251,000 will be provided by the Government of the Northwest Territories with the remainder coming from other sources, primarily the Canada Mortgage and Housing Corporation through fixed cost-sharing agreements. The majority of these agreements are for Public Housing projects.

Initially the NWT Housing Corporation built Public Housing under sections 43/44 of the National Housing Act in which money was borrowed under 50 year loan agreements. Approximately, 1,974 homes were built and others were rehabilitated. The current outstanding debt of the NWT Housing Corporation is approximately \$100,000,000 of which previous payments have covered interest, primarily.

Currently, the NWT Housing Corporation is building under Section 40 of the NHA in which the capital cost is split 75%/25% with CMHC. No loan agreements are entered into. Approximately 1,000 units have been built since 1979 under this program. Rehabilitation of older Northern Rental units are now funded in this manner.

The 1985 Rural and Remote program is funded under a new arrangement where the Housing Corporation assumes all risk and finances the construction. After completion, financing with CMHC will be arranged so that clients can take advantage of the interest reduction and proposed utility subsidies. Financing for this program is being sought by the NWT Housing Corporation through NWT Priority funding.

In his budget speech, the Minister Responsible for Housing announced that the NWT Housing Corporation was examining block funding for Housing Associations to encourage greater efficiency in Housing Association management. He also announced the implementation of "a comprehensive maintenance management system to ensure uniform, systematic upkeep of the more than 4,000 public housing units we own across the North. Coupled with inadequate base levels for unit maintenance, this system should help us to protect and enhance the very sizable investment of public funds that has gone and continues to go toward public housing". Both objectives should strengthen the property management capabilities of the NWT Housing Corporation which are weak.

During meeting with the NWT Housing Corporation, the Special Committee made note that there are deficiencies in the NWT Housing Corporation property management functions including \$8.8 million in construction cost overruns and overspending in Land Assembly projects of \$3,000,000 funded by CMHC and managed by the NWT Government. The Special Committee has been unable to determine the cause of these cost overruns, whether they are the results of ineffective management, administration difficulties or other causes. Nevertheless, this area is a point of some concern that is being scrutinized by the Standing Committee on Finance (SCOF) of the Legislative Assembly.

The Honourable Bill McKnight, the new Federal Minister Responsible for CMHC in the recent "Consultation Paper on Housing" has invited the Northwest Territories to negotiate a new financial and management agreement with CMHC. Regional representatives of CMHC have informed the Special Committee that revisions and modifications to the existing agreements are open for discussion so that a Global Funding concept can be put forward.

This means that new three to five year agreements can be reached on responsibilities for Public Housing units, the delivery of repair programs and other proposals that would make national programs more adaptable and suitable to the needs of communities in the Northwest Territories.

The Special Committee recommends:

81. That the NWT Housing Corporation and the Canada Mortgage and Housing Corporation enter into negotiations for Global Funding.

The Special Committee further recommends:

82. That the Executive Council request the Auditor General of Canada to complete a comprehensive audit on the operations of the NWT Housing Corporation and that the results of the audit be referred to the Assembly's Standing Committee on Finance and Public Accounts for public review.

This is not the first time that a comprehensive audit of the NWT Housing Corporation has been recommended. In 1983, The Standing Committee on Finance and Public Accounts, with the support of the Legislative Assembly, made such a request to the Auditor General of Canada. In response, Mr. Dye, the Auditor General, suggested that the audit be postponed until the newly appointed NWT Housing Corporation Executive staff had completed their efforts to correct problems "inherited from the previous Executive". The Special Committee considers that enough time has elapsed for the efforts of the Corporation's present management to be fairly evaluated, and we conclude that a comprehensive audit by the Auditor General of Canada is an objective and professional means of obtaining this evaluation.

SUMMARY OF HOUSING CONCERNS, BAFFIN/HIGH ARCTIC

(1) Housing associations need more power if housing problems in the communities are to be resolved. NWTHC should consult with the associations instead of telling them what to do. Housing associations could become committees of the community council so that the communities have more control of housing.

(2) Housing associations don't get enough money from NWTHC to maintain houses properly. Tenants' energy conservation efforts are useless unless houses are well-built and well-maintained.

(3) There are communication problems between NWTHC and the housing associations. NWTHC doesn't consult the housing associations about policies it puts in place. The associations have no say in the choice of houses to be renovated and often houses which are in relatively good condition are rehabbed before houses in poor condition. The housing associations have no power to change rents.

(4) Using the courts to collect rent arrears does not solve the problem. Giving the housing association more power to deal with housing and rents would be more effective.

(5) Housing association employees are paid less than the government's Public Works employees and get few, if any, benefits.

(6) Communities should be able to decide, on a regional basis, where new houses will be built.

(7) Houses are too small for big families and become even smaller when rehabbed. Houses are needed in a range of sizes from one- or two bedroom houses or apartments for single people and young couples to four- or five-bedroom houses for large families.

(8) Communities aren't consulted about the design of houses before they are built or rehabbed. Even in communities where local firms get rehab contracts, they can't change blueprints even to fix mistakes or to make desirable changes.

(9) Houses are poorly-built and poorly-maintained, and there are many problems with foundations. Poor quality materials seem to be used in construction or rehab work, and rehab work is often so poorly done that it has to be re-done.

(10) Rehabs are done at the wrong time of year. Instead of being done in winter, they should be done in spring or summer so that the house doesn't deteriorate during the rehab and so people can live in tents or be out on the land when rehab work is done.

(11) Local people and firms should be hired to work on rehabs and new construction projects because they live in the community and will make sure the work is done well. Training programs are needed for local people so that they qualify for such jobs.

(12) Different communities have different geographical and weather conditions. Houses and foundations should be designed specifically for the conditions of each community.

(13) Houses don't have enough storage space, cupboards, and porch space. Porches often are seen by NWTHC as wind protectors rather than as a usable part of the house.

(14) Many communities do not have enough houses and existing houses are seriously over-crowded. This causes social problems in the community and often means higher rents for the major wage-earner.

(15) Public housing units are not furnished and many people find they cannot afford to buy furniture for the house.

(16) The rules and rents are different for government employees living in staff housing than for people living in public housing and this causes resentment. In some communities, government employees are living in public housing because staff accommodation is not available and this makes the housing shortage more severe.

(17) Rents are too high and keep rising all the time even though peoples' salaries don't rise. The high cost-of-living means that some people have little money left for food after their rent is paid. Rent should be based on the net pay of the head of the household, not on the total income of all residents of the house.

(18) People pay the same rent regardless of the condition of the house or whether they do their own maintenance work on the house.

(19) Many people oppose the user-pay policy for electricity, particularly where no alternative power source is available. Others believe the user-pay system should not begin until houses have been renovated.

(20) More information about home ownership and how it works are needed in the communities.

(21) Home-owners need subsidies of essential services such as power, fuel and utilities if home ownership is to succeed in the treeless Eastern Arctic.

(22) A housing education program is needed for tenants of public housing units.

(23) The government should stop building public housing units and should restrict eligibility for public housing to needy families. The hidden economy with all its subsidies should be dropped and people should earn real salaries and pay real rents.

(24) Instead of rehabbing old houses, government should sell them and let private individuals put sweat equity into rehabbing the houses themselves, and then concentrate on the needed new housing.

(25) Changes are needed in federal housing programs to make them more suitable to conditions in the smaller settlements where housing is needed most.

(26) Houses should reflect tenants' needs. Disabled, handicapped and elderly people need special attention to their needs.

SUMMARY OF HOUSING CONCERNS, WESTERN ARCTIC

- (1) The housing system is too complicated and people do not understand it. A simpler and clearer system is needed.
- (2) Home ownership programs should be the priority, although public housing will continue to be needed. Only single-family rental units are being built this year. Eighteen units are being built under the HAF program, and 13 units under the rural and remote housing program.
- (3) Different types of housing programs are needed for the different regions of the Northwest Territories.
- (4) All the communities have a housing shortage and existing houses are often severely over-crowded, causing health problems, fire hazards and social problems. However, the Inuvik district office says associations do not always provide all the information about housing needs.
- (5) Houses larger than three bedrooms are needed for larger families, and smaller units or apartments are needed for single people and young couples.
- (6) Public housing still is needed in communities with high income levels such as Norman Wells and Inuvik; in fact, it may be needed more there because rents are so high.
- (7) In some communities, government employees are living in public housing units rather than in employer-supplied accommodation and this makes the housing shortage worse.
- (8) New houses should be allocated on the basis of where the need is greatest. The communities could get together as a region and decide on the allocation of new units. NWTHC says units are allocated on the basis of needs studies.
- (9) NWTHC should sell its old houses to tenants at a nominal amount and provide a grant to fix the house up, then use the rehab money to build new houses and thus increase the housing stock.
- (10) Instead of bringing in prefabricated houses by barge, NWTHC should give the communities money for log-home construction. A log home industry in the western NWT would provide homes and create jobs. Training programs are needed to help people build the log houses.
- (11) Fort Good Hope delivered houses with funding which started at \$75,000 per unit and dropped to \$45,000, but has not received all of the houses it expected. People wonder why there is not more government support for a program which delivers houses for a total cost to NWTHC of \$75,000.

(12) Houses are poorly-built, not suited to the Northern climate and construction materials are of poor quality, so operating and maintenance and energy costs are higher than if the houses had been built properly. Even new houses show signs of poor construction. Houses should be designed for different conditions in different communities.

(13) Maintenance is often poor. Housing associations don't get enough maintenance money; funding requests are turned down by NWTHC in Yellowknife. But the district uses two repair programs not used elsewhere -- the Emergency Repair Program (12 units this year); and the RRAP program (15 to 20 units this year). Ten houses will be rehabbed this year, and up to 14 senior citizens repair grants given.

(14) People are not asked about the design of houses. They want to be able to sit down with an architect and design their own houses within their budget limitations.

(15) Many houses are dark inside, and some don't have kitchen windows. Tenants cannot install windows or paint the inside walls a lighter colour. The district office says associations haven't asked for the change.

(16) Many people would rather have a wood-burning heater than a furnace. Conventional furnaces are a waste of money in log houses.

(17) Contractors who build houses do not seem to be well-regulated or licensed. Contractors who are known to have built unsatisfactory houses should not be given any other contracts.

(18) Serious communications problems, and a wasteful duplication of work, exist between the associations and NWTHC's Inuvik district office and NWTHC headquarters in Yellowknife.

(19) People need information about home-ownership and help if they are to buy or build their own homes. Suggestions included grants to anyone buying or building a house and equalization of service and utilities costs, as proposed in a 1972 NWT Council report; an interest-rate subsidy; a transportation subsidy; government preparation of lots and utilidors as a package to make lots cheaper; and help in getting mortgage money.

(20) Housing associations need more power, more funding, and a greater role in controlling housing provision, repair and maintenance within their communities. Workshops and training is needed for housing association board members.

(21) NWTHC should consult communities and housing associations about housing needs, programs, the design and location of houses, and which houses should be rehabbed.

(22) All funds for housing, whether for new construction or repair programs, should be given to the community, without being diluted by administration costs, so it could decide how the money could best be spent. Having housing fit under the municipal umbrella is an idea worth studying.

(23) NWTHC should be a funding agency to administer funds; it should not be designing houses, supplying packages and materials and telling people where to build houses.

(24) Supplies shipped by NWTHC often don't arrive until the building season is over or almost over. Some HAP housing packages are not complete and so construction is delayed. Communities cannot get more HAP packages until previous ones are completed. People can't apply for HAP if they owe rent.

(25) People have difficulty following blueprints unless an experienced builder is working with them. The blueprints are done in metric, while supplies are in feet and inches.

(26) Home ownership grants are difficult to get and not adequate to complete the work because of the high cost of living. Income ceilings set under federal funding programs should recognize the high cost of living.

(27) Rents are too high. Rent should be based on the net income of the head of the household only. People should not have to pay rent when they are out trapping. In setting rents, the economy of the whole community should be considered; in some communities, few jobs exist.

(28) Rent should be based on the type of house and its condition. The rent shouldn't be the same for northern rental houses without running water as for public housing with running water. Full rent shouldn't be charged if houses are not properly maintained.

(29) Economic rents are very high in Norman Wells and Inuvik, but the housing associations still haven't seen the formulas which were used to arrive at the new rates. The town of Inuvik says the ceiling on economic rent should be removed as a way of encouraging home ownership.

(30) Rehabs should be done well so that a rehabbed house doesn't have to be rehabbed again in a year or two, and should be done in summer, not winter. Houses should be properly inspected before people move into them.

(31) NWTHC takes a long time to make decision on grant applications, applications to buy northern rental houses, and changes in rehab specifications made necessary because all the supplies were not sent.

(32) Communities need government assistance in developing and servicing new lots for housing. Inuvik and Norman Wells have not yet received impact funding to help them cope with increased resource development activities.

(33) Communities say housing association employees are paid low wages. However, the Inuvik district office of NWTHC says association employees have a benefit package equivalent to that offered to government employees.

(34) Workshops or tenant education programs are needed for tenants of public housing.

(35) The board of directors of NWTHC should include representatives from the regions and should deal with regional concerns at its meetings.

SUMMARY OF REGIONAL CONCERNS, SOUTH MACKENZIE

- (1) Houses often are not well-built and have to be repaired every few years. Houses seem to have been built to minimum standards.
- (2) In most communities, there is a housing shortage and existing housing often is severely over-crowded. Smaller units are needed for young people, single parents and senior citizens in most communities.
- (3) There isn't enough money to repair and maintain houses properly. Sometimes houses which don't need repairs are fixed, while houses which need repairs are not fixed. Often, repair programs don't provide enough funding. Perhaps money could be taken out of the unlimited utilities budget to fix up the houses and thus reduce the utilities costs.
- (4) Home ownership should be encouraged, but public housing will still be needed.
- (5) Northern rental units should be sold "as is" to tenants, and a grant supplied to help the tenants fix up the units. People who buy the units need help to repair them.
- (6) A single-source funding program is needed to provide material and labour costs under the Home-ownership Assistance Program. While there are trained log builders in some communities, no money is provided by HAP so they can help the home-owners.
- (7) People need training programs or skilled help if they are to build good-quality programs under HAP.
- (8) More money should be put into home ownership programs. There are far more applicants for HAP packages than can be accommodated with the existing funding.
- (9) People are confused by the various funding programs. There is too much bureaucracy and too many agencies involved. Program information should be provided in native languages so people can take advantage of them.
- (10) People don't understand that under some repair programs, they have to pay some money back.
- (11) Under some programs, people must have title to land to get funding. In communities where land is owned communally, this poses problems. Perhaps the band council could own the land and lease it to people.
- (12) People who live outside established communities also should be entitled to housing or to funding programs.
- (13) Houses should be built of logs and heated by woodstoves, except for some senior citizens who may need furnaces.

(14) In communities where there is no public housing, people still need help to fix their houses and sometimes to build additions to accommodate growing families.

(15) Treaty Indians in the south have special housing programs, but Treaty people in the NWT are looked after by NWTHC and they feel they are not getting their fair share of the housing money.

(16) People on the Hay River Reserve have limited access to housing programs, and the funding agencies seem confused about the reserve's status. The federal government says NWTHC is responsible for reserve housing, but the reserve isn't treated like the other communities.

(17) More flexible federal funding programs are needed in the NWT to meet Northern conditions.

(18) Houses should be inspected as they are built, whether they are under the HAP program or not.

(19) The HAP program discriminates against single female parents who do not possess building skills.

(20) More mortgage programs are needed to help people who can't get mortgage money from the banks. The rural and remote program is the only mortgage program and it is run by CMHC.

(21) There is a need for communities to share information about housing. Good Northern house design should be encouraged and rewarded.

(22) Houses should be larger to accommodate the bigger families.

(23) The minimum public housing rents provide no incentive for people to work. The system of charging a percentage of gross income for rent may discourage people from working.

(24) People feel justified in not paying rent when their houses haven't been repaired and maintained.

(25) Rents should be based on net pay, not on gross income.

(26) People living in northern rental units want running water and sewage pumpout services.

(27) Houses need bigger water and sewage tanks. In one community, the tanks are below the minimum size set by the national building code.

(28) Some public housing units are designed with such unnecessarily high specifications that they cost more to build and make it difficult or impossible for contractors to hire local people to help build them.

(29) Dene from all the communities should be trained in maintenance of housing.

(30) Power shouldn't be cut off to peoples' houses during the winter, even if they have not paid their bills.

(31) Power costs should be stabilized if home ownership is to be successful.

(32) In many communities, tenants owe back rent and thus can't sit on the housing association board. People who are in arrears also can't get HAF packages or buy northern rental units.

(33) Housing associations should be involved in deciding who gets contracts for housing construction. Contracts should specify that local labour will be used.

(34) Repair programs should be administered by communities. Communities should be involved in ordering and distributing housing materials.

(35) Changes are needed in housing associations. One suggestion was to make them tenants' associations; another suggestion was that wider community representation was needed on the association board. Housing associations have little power, but the housing authorities seem satisfied with their powers.

(36) Changes are needed within NWTHC to reflect communities' abilities to make their own decisions and run their own programs. Suggestions included: dissolving NWTHC; restructuring NWTHC to provide more community control; giving regional and community councils control over housing; and making NWTHC district offices part of the administration structure of regional councils.

(37) NWTHC needs to do long-term planning, for at least five years ahead, so that communities will know how many houses they will get and when. Communities need lead time to prepare logs, lots and roads and other services.

(38) More housing contracts should go to communities or to local firms because this results in better-quality construction.

(39) Housing funding should go to bands or councils to provide housing that meets peoples' needs.

(40) Changes are needed in the NWTHC board of directors. One suggestion was that the board should include a representative of every community; another that members should be named by, and be accountable to, regional councils.

SUMMARY OF CONCERNS, YELLOWKNIFE/KITIKMEOT REGION

(1) Housing is in very short supply and many houses are overcrowded.

(2) Special facilities or programs are needed to aid senior citizens.

(3) Smaller houses are needed to accommodate single people, young couples and single parents in public housing. Larger houses need to be more spacious to accommodate large families.

(4) Incentives which will encourage and assist potential homeowners to buy or build their own homes are needed. Special needs exist in Yellowknife, which does not receive programs available to other NWT communities.

(5) The Landlord and Tenant Ordinance should be revised so that fewer landlord-tenant disputes have to be settled in court.

(6) Land development funds could be loaned to the City of Yellowknife over 20 to 25 years instead of over five years so that the city could allow land-buyers to spread out their payment time accordingly.

(7) The GNWT should consider setting up a forgivable grant program similar to the federal \$3,000 program to recognize high northern construction costs, and should consider subsidizing mortgages as well as rents. Incentives are needed for developers to provide private rental housing.

(8) Many public housing units are not well-built or suited to the cold Northern climate. Many northern rental houses are in such poor condition that purchasers will need grants for repairs.

(9) Housing associations need more money if they are to do their job properly and maintain the houses within their care.

(10) Information on the various housing programs is needed so that people will know how to apply and qualify. Training programs are needed for housing association staff and board members.

(11) Houses should be designed to meet peoples' needs and to suit community conditions and the Northern climate. People should be allowed to design their own homes, or at least have a voice in design of their community's houses.

(12) NWTHC should consult community councils long before new houses are built or rehabs are done in order to let the councils get ready for the new or improved units. Costs which the communities must bear because of NWTHC's short-term planning should be charged to NWTHC.

(13) Delays or confusion about shipping plans for materials often delay construction or rehab work until late in the year.

(14) Local people and businesses should be considered for tenders to carry out construction or rehab work.

(15) Smaller regional housing corporations could be developed to deliver programs and labour funding for HAP.

(16) Rents are too high. Rent should be based on net income, not gross income. Unemployed people have great difficulty paying rent. Many people in Yellowknife cannot afford the average public housing rental and still buy food.

(17) Housing associations don't represent all residents of a community. Some people suggested that housing should be brought under the

(18) Different standards of accommodation exist for government employees and tenants of public housing, and between government employees and the private sector. The GNWT should look seriously at the impact of its employee housing allowance on the Yellowknife housing situation.

(19) Paddings under houses should be built well and should be built a year early so that they have time to settle before construction begins.

(20) Home-builders need access to local inspections and technical advice on a regular basis.

(21) Unnecessary design features not needed for safety reasons should be eliminated from building codes and other regulations.

(22) Because the private market has not met the need for rental housing in Yellowknife, the GNWT should seriously consider taking direct action to encourage the construction of rental housing in the city.

(23) Government should be aware of its pace-setting effect on construction costs. If it doesn't cut costs, everyone else pays higher costs than they would otherwise have paid. Its employee benefits package plays a key role in what developers will charge for rental accommodation.

SUMMARY OF CONCERNS, KEEWATIN REGION

(1) Housing associations don't have enough money to maintain and repair houses.

(2) Housing association salaries are low and there are no benefits, so housing associations find it difficult to attract good staff.

(3) There is a shortage of housing, and most houses are overcrowded.

(4) Smaller units of one or two bedrooms are needed for single people and young married couples.

(5) Public housing authorities will have to cope with almost all demands for housing until a private housing market is developed. Suggestions include providing guaranteed leases for privately-developed housing; pledges of non-competition; and assistance with bonding.

(6) Most northern rental houses are in such poor condition that families couldn't afford to maintain them if they bought them. Repair programs have to be in place and accessible if people are to buy northern rental units.

(7) Contractors from outside the communities usually get the contracts for housing. One proposed solution was mandatory quotas for local employment.

(8) Hamlets should take over housing from the housing associations so that the community has a role.

(9) NWTHC should plan ahead so that communities will know how many houses to expect each year. Any shortfall one year should be made up the next year.

(10) Houses are not well-designed and are often poorly built or built of poor quality materials. Houses shift because all the heavy objects are on one side. Houses are built too close together and could catch fire easily. Many houses only have one exit.

(11) People want to design their houses, or at least have a voice in the design. This would, however, be more costly than the current system.

(12) Housing association boards should be open to all community residents, not just tenants.

(13) Rents should be based on the condition of houses instead of on income. A fixed rent could be set for each size of house, with the rent for each unit based on its condition.

(14) Private businessmen should not be running their businesses out of public housing.

(15) There is interest in home-ownership, but home owners need assistance with such costs as transportation.

(16) Different standards of housing exist for government employees and public housing tenants.

PUBLIC HEARINGS

DATE

Grise Fiord	June 3, 1984
Resolute Bay	June 4, 1984
Pond Inlet	June 5, 1984
Arctic Bay	June 6, 1984
Clyde River	June 8, 1984
Pangnirtung	June 11, 1984
Forbisher Bay	June 12, 1984
Cape Dorset	June 13, 1984
Lake Harbour	June 14, 1984
Norman Wells	July 9, 1984
Fort Good Hope	July 10, 1984
Fort Norman	July 11, 1984
Fort Franklin	July 12, 1984
Tuktoyaktuk	July 13, 1984
Inuvik	July 16, 1984
Aklavik	July 17, 1984
Fort Simpson	August 13, 1984
Rae-Edzo	August 14, 1984
Snowdrift	August 15, 1984
Fort Providence	August 17, 1984
Detah	August 20, 1984
Lac La Martre	August 21, 1984
Fort Resolution	August 21, 1984
Fort Smith	August 22, 1984
Hay River	August 22, 1984
Yellowknife	September 11, 1984
Holman Island	September 12, 1984
Sachs Harbour	September 13, 1984
Coppermine	September 17, 1984
Cambridge Bay	September 18, 1984
Spence Bay	September 19, 1984
Pelly Bay	September 19, 1984
Gjoa Haven	September 20, 1984
Baker Lake	October 9, 1984
Rankin Inlet	October 10, 1984

OTHER MEETINGS

DATE

NWT Housing Corporation Board of Directors	April 10, 1984
Housing Association, Pond Inlet	June 5, 1984
Housing Association, Arctic Bay	June 6, 1984
Housing Association, Clyde River	June 8, 1984
Housing Association, Pangnirtung	June 11, 1984
NWT Housing Corporation and GNWT Assistant Regional Director, Frobisher Bay	June 12, 1984
Mayor of Frobisher Bay	June 12, 1984
Baffin Housing Federation, Frobisher Bay	June 12, 1984
Director Social Services, Frobisher Bay	June 12, 1984
Hillside Housing Coop, Frobisher Bay	June 12, 1984
Hamlet Council, Cape Dorset	June 13, 1984
Hamlet Council and Housing Association, Lake Harbour	June 14, 1984
Housing Association, Norman Wells	July 9, 1984
Housing Association Fort Franklin	July 12, 1984
Housing Association Tuktoyaktuk	July 13, 1984
Housing Corporation District Office, Inuvik	July 16, 1984
Housing Association, Inuvik	July 16, 1984
Town Council, Inuvik	July 16, 1984
Housing Association, Fort Simpson	August 13, 1984
Fort Simpson Band Council	August 13, 1984
Fort Smith Housing Authority	August 22, 1984
Hay River Reserve	August 23, 1984
Hay River District Office	August 24, 1984
Yellowknife District Office	September 11, 1984
NWT Housing Corporation Board of Directors	September 26, 1984
NWT Housing Corporation, Baker Lake	October 9, 1984
NWT Housing Corporation, Rankin Inlet	October 10, 1984
Rankin Inlet Housing Corporation District Office	October 10, 1984

SPECIAL COMMITTEE ON HOUSING

WRITTEN SUBMISSIONS

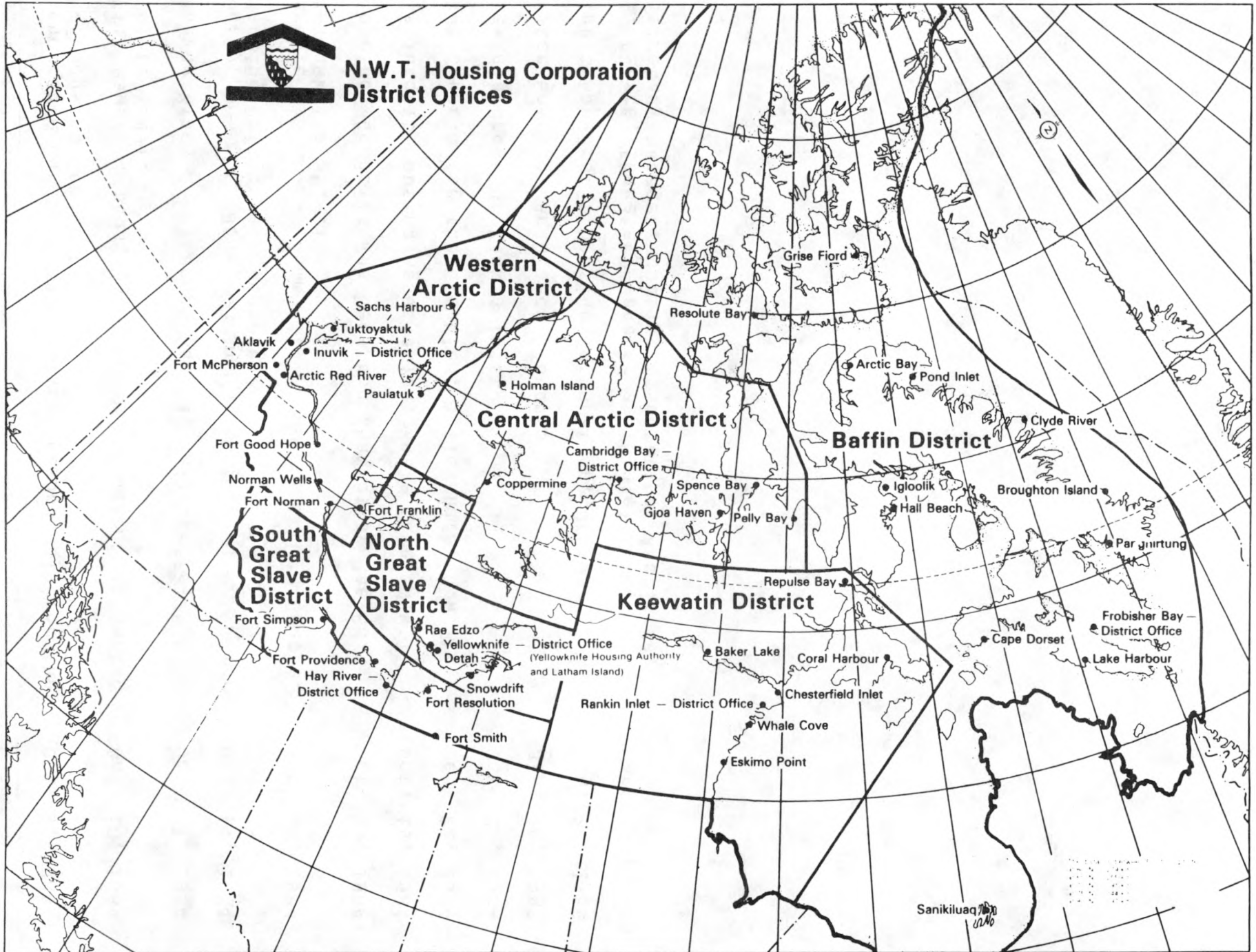
<u>Submitted By</u>	<u>Date</u>
Don Antoine of Fort Simpson, N.W.T.	May, 1982
Trudie Pettersson of Inuvik, N.W.T.	March 28, 1984
Treeline Planning Services Ltd., Yellowknife, N.W.T.	March 29, 1984
Honourable Dennis G. Patterson, Minister of Education Status of Women, Aboriginal Rights and Constitutional Development	April 11, 1984
Igloodik Housing Association	May 4, 1984
Margaret McGee, Research Associate, Arctic Institute of North America, The University of Calgary	May 7, 1984
Central Arctic Area Council, Cambridge Bay, N.W.T.	May 9, 1984
Norman Wells Housing Association	May 28, 1984
Igloodik Housing Association	May 30, 1984
Elijah Erkloo, MLA Foxe Basin	June 5, 1984
Minutes of Baffin Regional Council submitted by Iola Meteq, Speaker of Baffin Council of Pangnirtung, N.W.T.	June 11, 1984
Donna Bell of Frobisher Bay, N.W.T.	June 12, 1984
Roger Cousins of Frobisher Bay, N.W.T.	June 13, 1984
W.A.M.G. Mackenzie of Frobisher Bay, N.W.T.	June 13, 1984
Communitas Incorporated of Edmonton, Alberta	June, 1984
Comments and Information by Andrew Johnson of Lake Harbour, N.W.T.	June 14, 1984
Municipality of Lake Harbour, N.W.T.	June 14, 1984
NWT Housing Corporation of Frobisher Bay, N.W.T.	June 22, 1984
Inuit Non-Profit Housing Corporation of Ottawa, Ontario	June 27, 1984
Fort Good Hope Community Council	July 10, 1984
Tuktoyaktuk Housing Association	July 13, 1984

<u>Submitted By</u>	<u>Date</u>
Dene/Metis Council of Aklavik, N.W.T.	July 18, 1984
Letter from Agrena Arctic Ltd. (Wholesale Supply Co.) of Peterborough, Ontario	July 19, 1984
N.W.T. Housing Corporation of Yellowknife, N.W.T. (regarding Rae Edzo Housing)	
Michael Ballantyne, MLA for Yellowknife North	
Tom Makpeace of Fort Smith, N.W.T.	Aug. 10, 1984
Victor L. Marie of Fort Smith, N.W.T.	Aug. 10, 1984
Patsy Casaway of Norman Wells, N.W.T.	Aug. 12, 1984
Betty Menicoche of Hay River, N.W.T.	Aug. 13, 1984
Fort Simpson Housing Association,	Aug. 14, 1984
Rae Dene Band and the Hamlet of Rae/Edzo	Aug. 14, 1984
Sam Gargan, M.L.A. for Deh Cho	Aug. 17, 1984
Hay River Band Council	Aug. 23, 1984
Jeff Gardiner of Inuvik, N.W.T.	Aug. 28, 1984
N.W.T. Metis Association	Aug. 29, 1984
The Yellowknife Association of Concerned Citizens for Seniors (a.k.a.. YACCS), Yellowknife, N.W.T.	Sept. 11, 1984
Mayor Donald G. Sian of Yellowknife, N.W.T.	Sept. 11, 1984
Yellowknife Housing Authority, Yellowknife, N.W.T.	Sept. 11, 1984
Fort Good Hope and Fort Resolution Dene Band Councils	
Mayor Edna Elias of Coppermine, N.W.T.	Sept. 17, 1984
Mayor Steve Alookie of Spence Bay, N.W.T.	Sept. 19, 1984
Pelly Bay Housing Association	Sept. 20, 1984
N.W.T.H.C. District Office, Frobisher Bay, N.W.T., re: Pond Inlet	Sept. 20, 1984
Dave McCann of Treeline Planning Services Ltd., of Yellowknife, N.W.T.	Sept. 21, 1984
N.W.T. Advisory Council on the Status of Women, Baker Lake, N.W.T.	Oct. 9, 1984

<u>Submitted By</u>	<u>Date</u>
Honourable Gordon Wray, Minister Responsible for the NWT Housing Corporation	Oct. 9, 1984
Bill Gawor, Sappujjijit Friendship Centre of Rankin Inlet, N.W.T.	Oct. 10, 1984
Energy Mines & Resources Canada, Yellowknife, N.W.T.	Oct. 11, 1984
Gerry Cheezie, Dene National Office, "A Model for Housing Delivery in Denendeh"	Oct. 14, 1984
Arctic House Community Residential Centre, Yellowknife, N.W.T.	Oct. 16, 1984
Combined Councils Rae Dene Band/Hamlet of Rae-Edzo	Oct. 16, 1984
Tasiurqtit Housing Association, Whale Cove, N.W.T.	Oct. 19, 1984
NWT Council for the Disabled, Yellowknife, N.W.T.	Oct. 22, 1984
Levinia Brown of Rankin Inlet	Oct. 25, 1984
Peter Goering, Architect, Toronto	Jan. 28, 1985
Inuit Non-Profit Housing Corporation, Ottawa	Jan. 28, 1985
F. Pearce, Secretary-Manager and Daniel Aola, Secretary-Manager, Housing Association, Arctic Bay	March 18, 1985



# N.W.T. Housing Corporation District Offices



PUBLIC HOUSING - SINGLE DETACHED AND SEMI-DETACHED

1974-1985

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Aklavik	5	5	5	5	6	16		10				4
Arctic Bay			10	5	5	5				6		4
Baker Lake	13	8	10	10		12	6				15	10
Broughton Island		5				10				10		
Cambridge Bay	5	12	10	10	12	18						6
Cape Dorset	5	5	5	5	5		5	5		10	10	8
Chesterfield Inlet	4		5				5			5		4
Clyde River		5	10	11				3				4
Coppermine	5	8	10	18		12	12					
Coral Harbour	4	5	5	5			1	6			6	
Detah										5		
Eskimo Point	12	16	12	5	24	7	6			10	7	8
Fort Franklin	8							10				4
Fort Good Hope		5										
Fort McPherson							5					10
Fort Norman			5	6			6					6
Fort Providence				10		5						
Fort Resolution	5						6				5	
Fort Smith	10					6						
Fort Simpson [data not provided for 1974-1984]												4

PUBLIC HOUSING - SINGLE DETACHED AND SEMI-DETACHED

1974-1985

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Frobisher Bay		30			24	36	20	8				
Gjoa Haven	6	30	10	5	6	13		10				8
Grise Fiord			3							2		
Hall Beach		7	5	13		8			10			4
Hay River	20											
Holman Island	5			10	3		6	8				3
Igloodik	5	8	10	13	8	12				8		
Inuvik	20					8						6
Lake Harbour			5	2	3	4		2			9	
Norman Wells	12											
Pangnirtung		8			36	6	9				15	11
Paulatuk			5			5		5				2
Pelly Bay		4		4								4
Pond Inlet		8	15	9	10	10					10	15
Rae			10	18							10	4
Rankin Inlet	15	11	10	14			5	5		4	6	6
Repulse Bay			10				6	5		5		6
Resolute Bay			20									
Sachs Harbour			5			6						2

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PUBLIC HOUSING - SINGLE DETACHED AND SEMI-DETACHED

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Sanikiluaq		5	5	5	5	5						4
Spence Bay		10	10	8							7	
Whale Cove	3				3		5					3
Tuktoyaktuk		10	10	4	7	12	5			10		10
Yellowknife			54									
TOTALS	162	205	274	221	157	216	108	77	NIL	75	100	160

NOTE: DOES NOT INCLUDE SINGLE PERSONS UNITS

SOURCE: NORTHWEST TERRITORIES HOUSING CORPORATION

PUBLIC HOUSING - SINGLE PERSONS UNITS

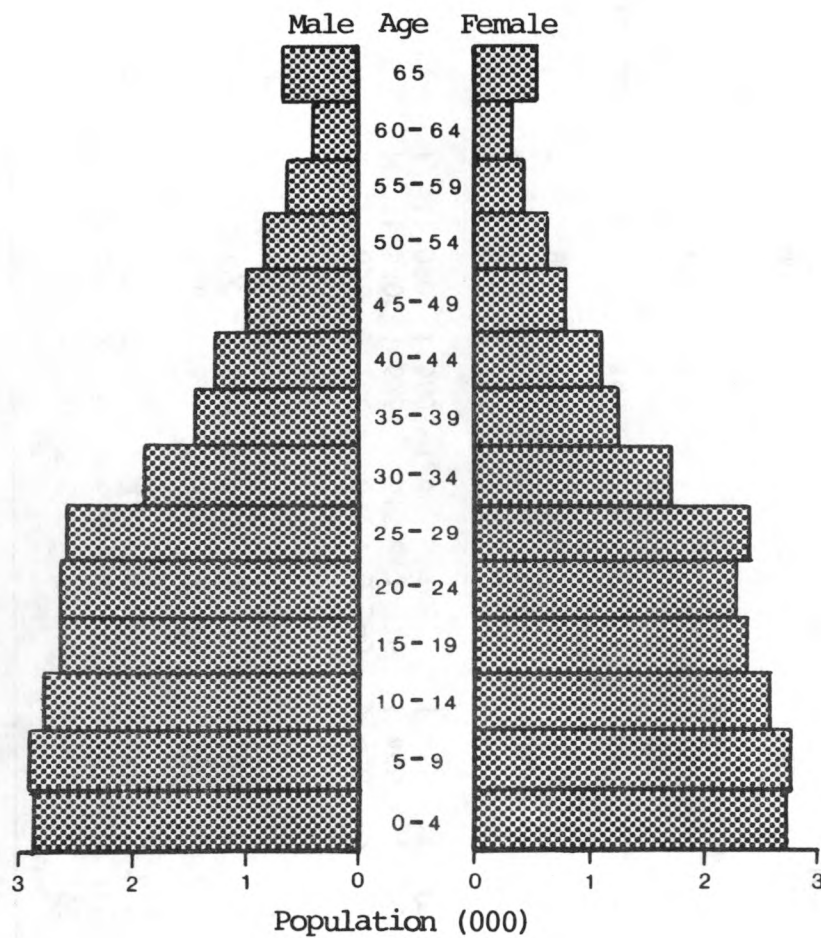
1974-1985

1974      1975      1976      1977      1978      1979      1980      1981      1982      1983      1984      1985

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Aklavik											9	4
Baker Lake											17	
Cambridge Bay							8					
Coppermine							4	4			9	8
Eskimo Point								8				4
Fort McPherson											9	
Fort Smith						8						
Frobisher Bay								8			27	
Inuvik											27	4
Rankin Inlet											30	
Tuktoyaktuk											18	16
Holman												4
Coral Harbour												8
Whale Cove												8
TOTALS [Number of Units]						8	12	20			164	56

SOURCE: NORTHWEST TERRITORIES HOUSING CORPORATION

POPULATION DISTRIBUTION / NORTHWEST TERRITORIES



Based on 1981 Census

\*\*\*\*\*  
NORTHWEST TERRITORIES  
\*\*\*\*\*

POPULATION\*, by Ethnic Origin, Age and Sex  
Northwest Territories, June 1981

	Sex	All Ages	Age Group						
			0-4	5-9	10-14	15-19	20-24	25-29	30-34
All Groups	T	45 535	5 510	5 090	5 270	5 020	4 690	4 760	4 040
	M	23 860	2 790	2 610	2 740	2 585	2 410	2 390	2 195
	F	21 675	2 720	2 480	2 530	2 435	2 275	2 370	1 850
Native Groups	T	26 430	3 665	3 500	3 885	3 450	2 475	1 835	1 625
	M	13 490	1 840	1 760	2 030	1 745	1 220	915	855
	F	12 940	1 815	1 735	1 855	1 710	1 255	925	775
Inuit & Status Indian	T	22 630	3 200	3 015	3 390	2 950	2 070	1 550	1 375
	M	11 540	1 625	1 515	1 775	1 465	1 025	770	730
	F	11 090	1 580	1 495	1 615	1 485	1 045	780	640
Inuit	T	15 910	2 405	2 225	2 455	2 150	1 450	1 025	965
	M	8 110	1 240	1 105	1 270	1 065	730	505	515
	F	7 800	1 165	1 115	1 185	1 085	720	520	450
Status Indian	T	6 720	795	790	935	805	620	525	410
	M	3 435	380	410	500	405	295	265	215
	F	3 285	415	385	435	400	325	260	200
Metis & Non-status Indian	T	3 800	460	485	495	500	405	290	255
	M	1 945	220	240	260	275	195	145	120
	F	1 850	240	245	240	225	210	145	130
Metis	T	2 595	335	340	345	360	270	210	180
	M	1 340	165	165	175	200	135	105	85
	F	1 255	170	175	170	160	130	105	90
Non-status Indian	T	1 210	130	145	150	145	135	85	75
	M	605	60	75	80	75	60	45	40
	F	600	70	65	65	65	80	35	35
Others	T	19 110	1 845	1 595	1 385	1 570	2 215	2 920	2 415
	M	10 375	945	850	710	840	1 190	1 470	1 340
	F	8 735	900	740	680	730	1 025	1 450	1 075

\*Excludes inmates in institutions.

cont'd.

POPULATION\*, by Ethnic Origin, Age and Sex (cont'd.)  
Northwest Territories, June 1981

	Sex	Age Group						
		35-39	40-44	45-49	50-54	55-59	60-64	65+
All Groups	T	2 730	2 145	1 800	1 430	1 070	685	1 295
	M	1 470	1 160	970	835	615	395	710
	F	1 260	985	830	600	460	285	585
Native Groups	T	1 170	1 055	965	765	590	440	1 020
	M	605	505	490	405	325	260	530
	F	565	550	475	355	265	175	485
Inuit & Status Indian	T	1 010	900	850	635	485	375	840
	M	525	425	420	340	270	220	440
	F	485	475	430	290	220	150	405
Inuit	T	700	625	575	410	290	240	405
	M	350	300	285	225	165	140	220
	F	345	330	285	185	125	105	185
Status Indian	T	310	275	270	220	195	130	435
	M	175	130	140	115	100	85	220
	F	135	140	135	105	95	50	210
Metis & Non-status Indian	T	165	150	110	135	105	65	175
	M	80	75	70	65	60	40	90
	F	80	75	45	65	45	25	80
Metis	T	115	95	80	85	70	30	85
	M	60	55	55	45	35	20	45
	F	55	45	25	40	35	10	35
Non-status Indian	T	50	55	35	45	40	30	90
	M	25	25	20	20	25	15	45
	F	25	35	20	25	15	15	45
Others	T	1 560	1 090	840	670	480	245	280
	M	860	650	480	425	285	140	180
	F	700	435	360	245	195	105	95

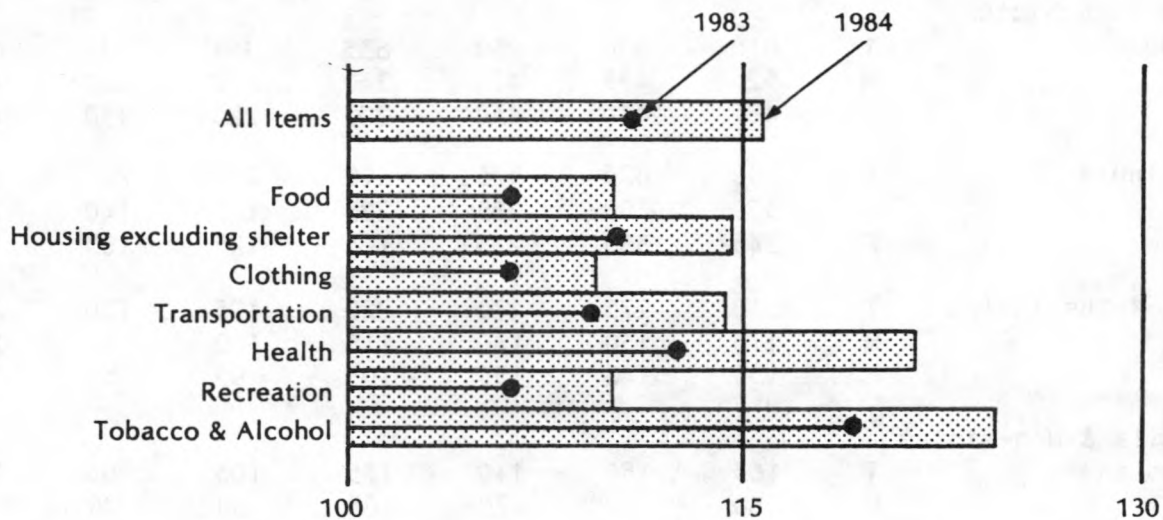
\*Excludes inmates in institutions.

## PRICES

### Consumer Price Index (Yellowknife)

	1984			Year-to-date		
	Dec	Nov	Oct	1984	1983	Change
	(March 1982 = 100)			(monthly avg.)		
All Items	117.5	117.8	116.3	115.8	110.8	4.5
Food	111.3	113.4	109.9	109.7	106.2	3.3
Housing excluding shelter	117.3	117.0	115.4	114.5	110.1	4.1
Clothing	108.6	109.0	109.6	109.3	106.8	2.3
Transportation	114.8	113.5	112.5	114.1	109.1	4.6
Health & Personal Care	123.8	124.6	124.1	121.8	112.7	8.1
Recreation and Reading	111.1	112.3	112.1	109.9	106.8	2.9
Tobacco and Alcohol	126.0	125.2	125.2	124.8	119.1	4.7

### CONSUMER PRICE INDEX (March 1982 - 100)



### Weekly Food Cost (Nutritious Diet for a Family of Four)

	1984			Year-to-date		
	Dec	Nov	Oct	1984	1983	Change
	(\$)			(monthly avg.)		
Yellowknife	129.92	135.35	131.03	130.66	123.93	5.4
Southern Canada Average	90.56	90.34	89.87	92.08	86.46	6.5
Edmonton	90.97	91.59	92.12	92.71	86.74	6.9

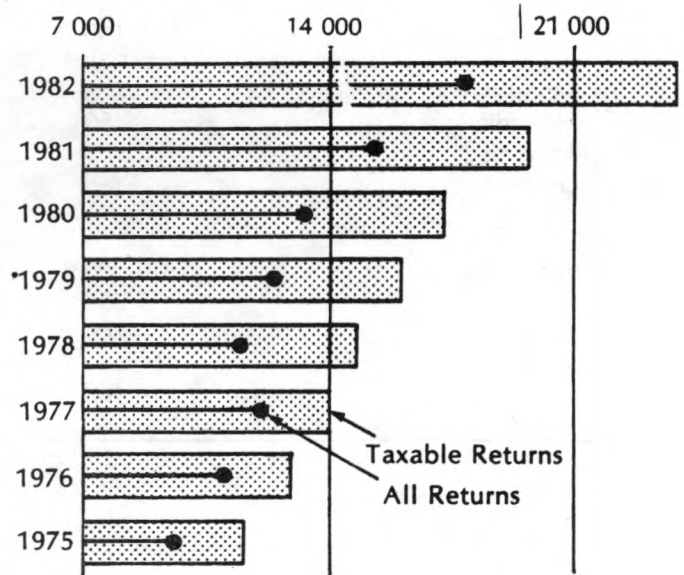
Source: Bureau of Statistics

## EMPLOYMENT & INCOME

### Personal Income (1982)

	Returns	Avg. Income
	(no.)	(\$)
All Classifications	25 761	17 772
Employees	21 057	20 327
Business	10 229	19 210
Institutional	1 559	14 557
Teachers	200	28 390
Federal	2 431	25 309
Territorial	3 962	25 751
Municipal	1 313	15 187
Armed Forces	335	27 242
Unclassified	1 025	10 285
Professionals	120	36 650
Business Proprietors	430	13 114
Investors	445	24 108
Pensioners	392	4 686
Unclassified	3 277	2 066
Other	40	10 700

### AVERAGE PERSONAL INCOME (\$)



(Child Tax Credit Program introduced for 1978)

### Industrial Employment

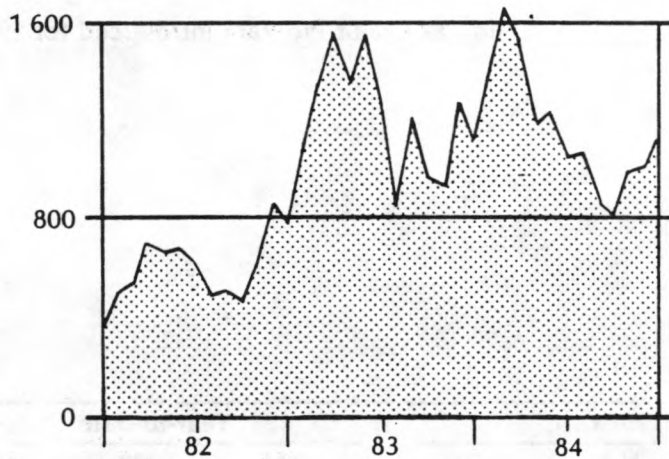
	1984			Year-to-date		
	Dec <sub>p</sub>	Nov	Oct	1984 <sub>p</sub>	1983	Change
	(no.)			(monthly avg.)		(%)
Employees	17 383	17 793	18 585	17 652	..	..
Mining, Oil & Gas	2 528	2 951	3 154	2 963	..	..
Manufacturing	334	368	408	402	..	..
Transp. & Comm.	1 915	1 874	2 085	1 879	..	..
Trade	2 068	2 008	2 028	1 951	..	..
Finance & Insurance	555	580	578	558	..	..
Comm. & Bus. Services	4 423	4 467	4 535	4 409	..	..
Public Administration	4 756	4 756	4 876	4 727	..	..

Source: Bureau of Statistics

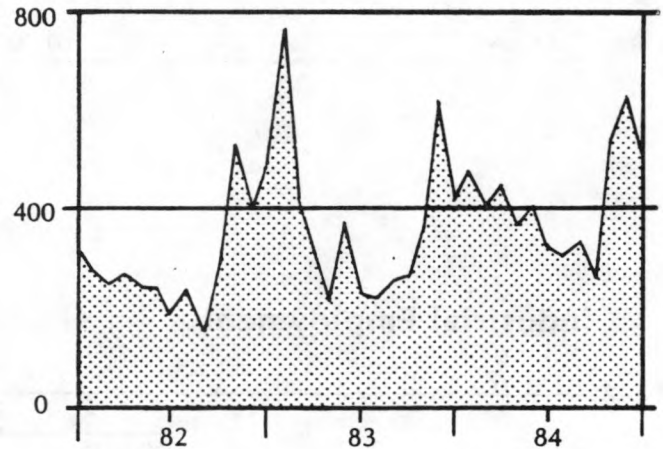
## Unemployment Insurance Payments

	1984			Year-to-date		
	Dec	Nov	Oct	1984	1983	Change
		(\$ '000)		(\$ '000)		(%)
Payments	1 145	1 008	1 000	14 046	14 472	-2.9
Regular	978	872	890	11 305	11 379	-0.7
Sickness	19	13	10	189	208	-9.1
Maternity	60	64	80	783	815	-3.9
Training	79	56	20	662	713	-7.2
Other	9	3	-	1 104	1 353	-18.4
		(no.)		(no.)		(%)
Weeks Paid	6 000	5 450	5 300	75 095	81 396	-7.7
Regular	5 050	4 680	4 710	61 252	65 101	-5.9
Sickness	100	70	50	907	1 188	-23.7
Maternity	350	370	410	4 402	4 827	-8.8
Training	460	320	100	4 006	4 360	-8.1
Other	40	10	30	4 528	5 920	-23.5

**PAYMENTS**  
(\$'000)



**CLAIMS ALLOWED**  
(no.)



## Unemployment Insurance Claims

	1984			Year-to-date		
	Dec	Nov	Oct	1984	1983	Change
Claims Received	470	740	610	5 360	4 976	7.7
Initial	400	620	500	4 547	4 141	9.8
Renewal	70	120	110	813	835	-2.6
Claims Allowed	490	630	530	4 294	4 426	-3.0
Initial	400	500	430	3 520	3 532	-0.3
Renewal	90	130	100	774	894	-13.4

Source: Bureau of Statistics

NATIVE AND NON-NATIVE LABOUR FORCE ACTIVITY, by Region  
Northwest Territories, December 1984

	Persons 15-64 Years	Labour Force	Partici- pation Rate	Em- ployed	Unem- ployed	Unem- ployment Rate	Worked in 1984	Job Wanted	
	(no.)	(no.)	(%)	(no.)	(no.)	(%)	(no.)	(no.)	
Northwest Territories	31 163	21 309	68	17 775	3 534	17	23 438	8 323	Northwest Territories
Natives	16 299	8 833	54	6 132	2 701	31	10 472	7 011	Natives
Non-Natives	14 864	12 476	84	11 643	833	7	12 966	1 311	Non-Natives
Baffin	5 048	2 967	59	2 332	635	21	3 355	1 935	Baffin
Natives	4 130	2 138	52	1 526	612	29	2 502	1 877	Natives
Non-Natives	918	829	90	805	24	3	854	58	Non-Natives
Keewatin	2 544	1 537	60	1 143	394	26	1 735	1 077	Keewatin
Natives	2 210	1 215	55	837	378	31	1 407	1 058	Natives
Non-Natives	334	322	96	306	16	5	328	20	Non-Natives
Kitikmeot	2 042	1 111	54	899	213	19	1 345	763	Kitikmeot
Natives	1 784	883	49	683	200	23	1 105	742	Natives
Non-Natives	258	229	89	216	13	6	241	21	Non-Natives
Inuvik	5 349	3 615	68	2 926	689	19	4 142	1 487	Inuvik
Natives	3 130	1 629	52	1 112	516	32	2 123	1 256	Natives
Non-Natives	2 219	1 987	90	1 814	172	9	2 019	232	Non-Natives
Fort Smith	16 180	12 079	75	10 475	1 604	13	12 861	3 060	Fort Smith
Natives	5 045	2 969	59	1 973	996	34	3 336	2 079	Natives
Non-Natives	11 135	9 110	82	8 502	608	7	9 525	981	Non-Natives

Source: Labour Force Survey, Dec.84  
Bureau of Statistics

MALE AND FEMALE LABOUR FORCE ACTIVITY, by Region  
Northwest Territories, December 1984

	Persons 15-64 Years	Labour Force	Partici- pation Rate	Em- ployed	Unem- ployed	Unem- ployment Rate	Worked in 1984	Job Wanted	
	(no.)	(no.)	(%)	(no.)	(no.)	(%)	(no.)	(no.)	
Northwest Territories	31 163	21 309	68	17 775	3 534	17	23 438	8 323	Northwest Territories
Males	16 436	12 506	76	10 326	2 180	17	13 664	4 301	Males
Females	14 727	8 803	60	7 449	1 354	15	9 775	4 022	Females
Baffin	5 048	2 967	59	2 332	635	21	3 355	1 935	Baffin
Males	2 633	1 799	68	1 396	403	22	2 014	919	Males
Females	2 415	1 168	48	936	232	20	1 341	1 016	Females
Keewatin	2 544	1 537	60	1 143	394	26	1 735	1 077	Keewatin
Males	1 307	886	68	637	249	28	1 029	546	Males
Females	1 237	651	53	506	145	22	706	531	Females
Kitikmeot	2 042	1 111	54	899	213	19	1 345	763	Kitikmeot
Males	1 040	677	65	542	136	20	817	377	Males
Females	1 002	434	43	357	77	18	528	386	Females
Inuvik	5 349	3 615	68	2 926	689	19	4 142	1 487	Inuvik
Males	2 888	2 091	72	1 684	408	20	2 378	789	Males
Females	2 461	1 524	62	1 243	281	18	1 764	698	Females
Fort Smith	16 180	12 079	75	10 475	1 604	13	12 861	3 060	Fort Smith
Males	8 568	7 052	82	6 068	984	14	7 425	1 670	Males
Females	7 612	5 027	66	4 407	620	12	5 436	1 390	Females

## SOCIAL SERVICES

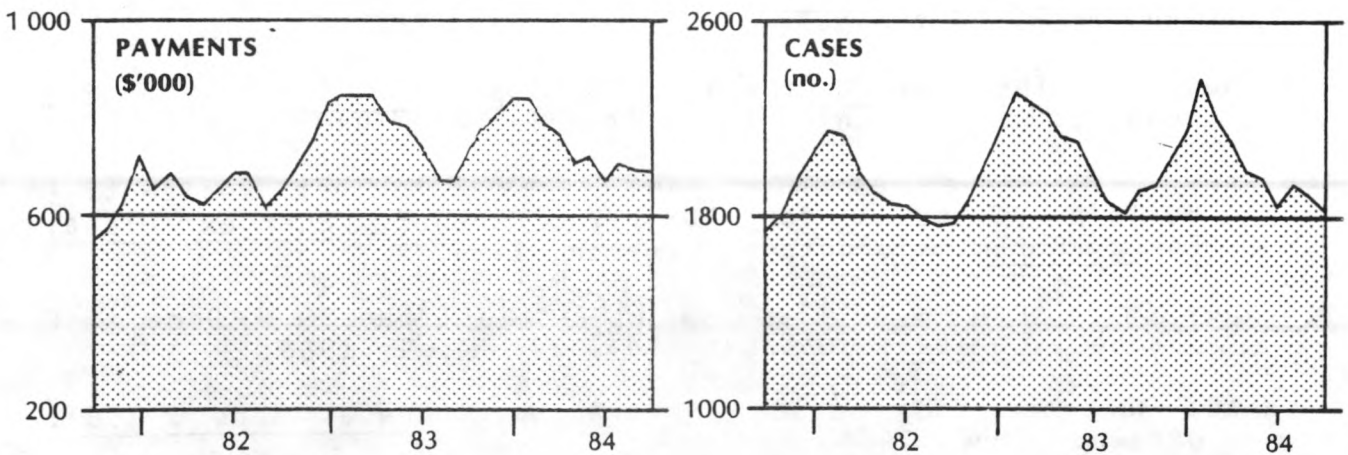
### Family Allowance

	1984			Year-to-date		
	Dec	Nov	Oct	1984	1983	Change
Payments	619	620	621	7 424	6 974	6.4
		(\$ '000)			(\$ '000)	(%)
Accounts	9 256	9 247	9 233	9 126	8 793	3.8
Family	9 059	9 045	9 037	8 926	8 621	3.5
Agency	197	202	196	200	172	16.5
Children	20 264	20 276	20 282	20 158	19 813	1.7

### Social Assistance

	1984			Year-to-date		
	Sept.	Aug	July	1984	1983	Change
Payments	701	697	707	6 626	6 970	-4.9
		(\$ '000)			(\$ '000)	(%)
Cases	1 824	1 898	1 929	2 004	2 074	-3.4
Recipients & Dependents	6 185	6 616	6 649	6 793	6 998	-2.9
		(no.)			(monthly avg.)	(%)

### SOCIAL ASSISTANCE



Source: Bureau of Statistics

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