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ITC National
ΔΩΔ' Housing

Makivik Corporation
"The Nunavik Housing Experience"

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The Housing Crisis in Nunavik

There were 425 applications on Social Housing waiting lists in Nunavik in October, 1998. From 1995 to 1998, no new social housing units were built in Nunavik.

Almost the entire Inuit population in Nunavik is housed in social housing units. The staff of public, parapublic and private institutions is housed in subsidized housing. In 1998, there were only about a dozen homes under private ownership in the region.

In November 1998, Dr. Serge Déry submitted a report on the housing situation in Nunavik to the Nunavik Regional Board of Health and Social Services. His conclusion was no surprise: the problems of housing and overcrowding in Nunavik constitute a major risk factor for the population's physical and pschosocial health.

Government Obligations pursuant to the JBNQA

Makivik Corporation and the Kativik Regional Government (KRG) have put great efforts into lobbying both governments to develop a new social housing program for Nunavik. At first, the response from Canada's Department of Indian and Northern Affairs was to flatly deny any obligation under the JBNQA in this regard. The federal government's reasoning was that since it had entered into a Transfer Agreement in 1981 with Québec, whereby it transferred ownership and responsibility for housing to Québec, it had satisfied its obligations under the JBNQA.

Makivik relied upon two principal provisions of the JBNQA in its contention that since Canada continued to maintain a social housing program for First Nations, a like program should be made available to Inuit beneficiaries of the JBNQA. Sections 2.12 and 29.0.2 of the JBNQA read as follows:

Section 2.12 of the JBNQA

"Federal and provincial programs and funding, and the obligations of the Federal and Provincial Governments, shall continue to apply to the James Bay ~~Cree~~ and the Inuit of Québec on the same basis as to the other Indians and Inuit of Canada in the case of federal programs, and of Québec in the case of provincial programs, subject to the criteria established from time to time for the application of such programs."

Section 29.0.2 of the JBNQA

"Programs, funding and technical assistance presently provided by Canada and Québec, and the obligations of the said governments with respect to such programs and funding shall continue to apply to the Inuit of Québec on the same basis as to other Indians and Inuit of Canada in the case of federal programs, and to other Indians in Québec in the case of provincial programs, subject to the criteria established from time to time for the application of such programs, and to general parliamentary approval of such programs and funding."

The Government of Canada was providing social housing to First Nations on reserves and social housing to Inuit north of the 60th parallel through funding of the Territorial Government.

In this context, in June 1998, Makivik initiated a dispute resolution mechanism, which was provided for in an Agreement signed in 1990 with the Government of Canada respecting the implementation of the JBNQA.

Makivik's contention was that not only does the Federal Government have a fiduciary responsibility, but also a contractual obligation to provide for social housing in Nunavik. As stated by Mr. Justice Dickson in *Simon v. The Queen* [(1985) 2 S.C.R. 387 at 401-402 and 410], treaties need to be recognized as a source of protection for pre-existing aboriginal rights.

Québec Housing Programs in Nunavik

Québec has existing housing programs applicable in Nunavik which include the Home Ownership Program, the Home Purchase and Renovation Program and the Home Renovation Program for Owners-Occupiers.

In October 1998, the Government of Québec entered into a Framework Agreement with the KRG which foresaw the creation of a regional housing structure under KRG that would administer Nunavik social housing for the Société d'Habitation du Québec (SHQ) and replace the administrative arrangements then existing between the SHQ and the municipalities.

The Kativik Municipal Housing Bureau (KMHB) was thus created. Funds collected from existing rent arrears by the KMHB will be used and matched by the SHQ to provide potential funding to build new social houses.

Although these initiatives were welcomed, they were not seen as sufficient to meet the housing needs of the population of Nunavik.

Construction Season 1999: A short-term solution

With the worsening housing situation in Nunavik, in the Spring of 1999, Canada undertook as an act of good faith and without at the time acknowledging under the JBNQA an obligation, to provide \$5 million to the SHQ to be used for social housing in Nunavik. The money was used by the SHQ to build 43 2-bedroom houses in four different Nunavik communities and the SHQ undertook to incorporate these houses into their social housing program and be responsible for their maintenance and operating costs.

Construction Season 2000: The Agreement Respecting the Implementation of the of the James Bay and Northern Québec Agreement related to Housing in Nunavik (the Housing Agreement)

At a Dispute Resolution Mechanism meeting in July 1999, Canada finally recognized that they had an ongoing obligation under the JBNQA to Nunavik Inuit regarding social housing.

Canada, Québec, KRG, the KMHB and Makivik therefore began to develop a new social housing program. Their work culminated in the signing of the Housing Agreement in September, 2000 between the KRG, Makivik, the KMHB, the Government of Canada and the Government of Québec.

Canada had only granted final approval for their share of the funding in the end of March, 2000. In order to save the 2000 construction season, Makivik had to act rapidly.

Makivik is in the process of building 60 new social housing units in Nunavik. The new units will be allocated to 7 Northern Villages for the year 2000, based on a decision by the KRG Regional Council. Upon completion of construction of each housing unit, ownership of that unit will be transferred from Makivik to the KMHB for one dollar. The KMHB will then administer the housing units.

Pursuant to the Housing Agreement, Canada agreed to contribute \$10 million for the costs of constructing Inuit Housing in Nunavik annually from 2000 to 2005. Canada's annual payments are made to Makivik Corporation.

The Government of Québec agreed to pay directly or to the KMHB the difference between the operating costs of each housing unit and the rental revenues collected for a period of 20 years, which is estimated to be equivalent to \$10 million per year from 2000 to 2005.

Québec, the KRG and the KMHB agreed to collaborate in implementing over a five-year period, starting on July 1, 2001, a revised rental scale for social housing in Nunavik.

The Agreement stipulates an obligation for the parties to negotiate a successor agreement and take all reasonable steps to have a successor agreement in place no later than December 31, 2004.

Makivik Corporation is licensed as a contractor and has created a Construction Division to build the social housing. As a promoter-builder, Makivik has more flexibility in negotiating with contractors and in assuring the maximization of Inuit labour. This year, there were 8 Inuit beneficiaries working at the panel assembly factory over a period of three months and it is predicted that approximately 60 temporary jobs will be created in Nunavik over a period of four months.

Because Makivik is a non-profit organization, its only goals are to maximize the output of houses and Inuit job creation.