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## SUBJECT

### NORTHERN HOUSING

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## ISSUE

How will the National Housing Strategy support the housing needs of Northern communities?

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## KEY FACTS

### ***National Housing Strategy:***

- **NHS Bilateral Agreements**
  - **\$41.9 million** to Yukon (\$60 million with cost-matched by Yukon)
  - **\$87.7 million** to Northwest Territories (\$140 million with cost matched by Northwest Territories)
  - **\$289.6 million** to Nunavut (\$339.2 million with cost-matched by Nunavut)
- **\$300 million** starting 2018-19 to 2027-28 (not cost-matched)
  - \$24 million to Yukon
  - \$36 million to the Northwest Territories
  - \$240 million to Nunavut
- **An additional \$100 million** Northern carve-out of contribution funding within the National Housing Co-Investment Fund (NHCF) is available to off-set high construction costs and building challenges
  - **\$40 million** will be provided to Yukon
  - **\$60 million** to the Northwest Territories
- **\$2B for a Canada Housing Benefit** (totaling \$4B with expected PT cost-matching). The Canada Housing Benefit will deliver up to \$2,500 per year to each recipient household and support at least 300,000 households across the country.

### ***Budget 2016***

- **\$504.5 million** doubling of the Investment in Affordable Housing (IAH) over two years. Of this:
  - **\$3.3 million** to Yukon
  - **\$3.8 million** to the Northwest Territories
  - \$3.1 million to Nunavut
- **\$177.7 million** over two years in additional IAH funding specifically for northern housing:
  - **\$8 million** to Yukon
  - **\$12 million** to the Northwest Territories
  - \$76.7 million to Nunavut
- **\$80 million** in one-time funding through Inuit governments/organizations (Delivered by ICS):
  - **\$50 million** for the Inuit region of Nunavik in Quebec
  - **\$15 million** for the Inuvialuit Settlement Region in Northwest Territories
  - **\$15 million** for the Inuit region of Nunatsiavut in Newfoundland and Labrador
- **Additional funding** for renovations/retrofits to shelters and housing for seniors.

### ***Funding until March 31, 2019***

- **\$1.9 billion** from 2011-12 to 2018-19:
  - **\$12.6 million** to Yukon; helped 690 households as at March 31, 2019
  - **\$14.7 million** to the Northwest Territories; helped 845 households as at March 31, 2019
  - **\$11.7 million** to Nunavut; helped 159 households as at March 31, 2019

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## RESPONSE

- **The National Housing strategy supports some of the most vulnerable among us, including Indigenous peoples living in the North.**
- **The National Housing Strategy puts a focus on adequate, predictable, and stable funding for northern housing, given that the higher costs associated with housing in the North leave many families in core housing need.**
- **This approach will help reduce housing need and permit the construction and operation of additional housing based on community needs.**
- **In addition to funding provided to territories under the Investment in Affordable Housing, Budget 2016 also provided \$178 million over two years, and Budget 2017 announced \$300 million over ten years, specifically for northern housing.**
- **This funding will help approximately 3,000 Northern families find an adequate, suitable and affordable place to call home.**
- **This targeted investment is in addition to Indigenous-specific housing investments that will be made as part of funding to improve infrastructure in Indigenous communities.**
- **The Government of Canada has also worked with First Nation, Inuit and Métis Nation partners to co-develop distinct housing strategies that will support their vision of self-determination and lead to better social and economic outcomes for their communities. Indigenous Services Canada (ISC) and Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) continue to lead this work, and CMHC remains an active partner.**

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## **SUCCESS STORY**

The Uquutaq Transitional Housing is a promising project located in Iqaluit that has received funding through the the National Housing Co-investment Fund. The project will involve the purchase and renovation of two existing adjacent buildings in downtown Iqaluit into a 62-bed shelter/transitional home and a 11-unit market rental building with offices and program space.

Tugguarlik Apartments is an 8 plex affordable rental housing project in Cambridge Bay, Nunavut. The project, worth just over \$3.5M has received support through the Innovation Fund. The project includes 2 fully accessible units and is expected to be occupied in December of 2019.

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## **BACKGROUND**

A history of poor planning, a lack of understanding of the North, and declining federal funding for social housing have contributed to housing issues in the north.

### **Funding Formulas**

The allocation of the targeted funding for northern housing among the territories was virtually the same in both Budget 2016 and Budget 2017. In Budget 2016, the ratio of NWT funding to Nunavut funding was 1:6.7, while the ratio for Budget 2017's targeted support for northern housing was 1:6.5. More importantly, the factors that went into determining the funding allocation of the targeted northern funding from Budget 2016 and Budget 2017 were also the same.

The funding allocation addresses the fact that although core housing need is greater in the North overall, Nunavut has the greatest need. The core housing need from the National Household Survey (2011) is 39 per cent in Nunavut compared to 16 per cent in NWT and 15 per cent in Yukon (based on 2011 data). CMHC used the 2011 data to determine allocations to ensure a common and consistent measure among territories and also across Canada.

Overall housing costs (including energy costs, infrastructure, etc.) and the average cost of construction are higher in Nunavut (at \$551 per square foot versus \$296 per square foot in NWT). Nunavut also has a higher percentage of government-owned social housing units due to very little market housing.

Funding for Nunavut also includes additional investments to support improved Inuit outcomes because of Nunavut's special status as both a territorial government and Inuit region. NWT's share of Budget 2016 Northern Housing funding does not include the targeted funding for Inuit households as it is being delivered directly by the Inuit representative corporation for the Inuvialuit Settlement Region.

The Inuit Nunangat Housing Strategy was released in April 2019 and is currently in the implementation phase. It will provide direction for the Government of Canada's investments in Inuit housing of \$400 million over 10 years, announced in Budget 2018, for the three Inuit regions of the Inuvialuit Settlement Region (NWT), Nunavik (Quebec) and Nunatsiavut (NWT). Nunavut also received \$240 million over 10 years announced in Budget 2017 to support housing in the territory. The Inuit Nunangat Housing Strategy was endorsed by the Inuit-Crown Partnership Committee (established in February 2017) that is led by the the Federal Government, Inuit Tapiriit Kanatami (ITK), and Inuit land claim governments and organizations. CIRNAC had led co-development of the Inuit Nunangat Housing Strategy, with continued support from CMHC. This collaborative work respects and strengthens the Inuit-Crown relationship and will help achieve the common goal of reducing the housing needs in Inuit Nunangat and developing long-term solutions that reflect Inuit lifestyles, traditions and culture. The approach being taken emphasizes the direct role of Inuit organizations and Inuit governments in addressing housing needs in their communities, the need for long-term sustainable investments and the importance of ongoing collaboration.

The signing of a Canada-Métis Nation Accord on April 13, 2017, marked a significant step toward a renewed relationship based on recognition of rights, respect, co-operation and partnership. The Accord outlines the ways in which the Government and the Métis Nation will work together to set priorities and develop policy in areas of shared interest, including housing. Key goals are to facilitate greater Métis Nation control of housing delivery and improve access to more housing options, such as affordable homeownership. Crown Indigenous Relations Canada leads this co-development process, with continued support from CMHC. Additionally, the Métis Nation Housing Sub-Accord was signed in July 2018, by the Government of Canada and the Governing Members of the Métis National Council and is currently in the implementation phase. The Métis Nation Housing Sub-Accord is funded from Budget 2018, with \$500 million over 10 years for the Métis Nation. Funding for years one to three have been allocated. The parties will assess progress at the three-year mark (2021) to determine future allocations on the basis of a co-developed needs assessment.

Indigenous Services Canada collaborated with the Assembly of First Nations, other Indigenous partners and the Canada Mortgage and Housing Corporation to co-develop a *10-year National First Nations Housing and Related Infrastructure Strategy*. The Strategy will support new construction and repairs to First Nations housing units on-reserve, through \$600 million over 3 years announced in Budget 2018. The Strategy was endorsed at the AFN's Special Chiefs Assembly in December 2018. It outlines the path forward to increase the transition of care, control and management of housing to First Nations with the goal of providing greater access to a range of housing choices including supportive, community and rental housing and home-ownership options. This approach will help to meet the needs of elders, youth, women, persons with disabilities and multi-generational families.

The respectful process established to collaboratively develop each of the Indigenous housing strategies will take time, but will lay the foundation for the achievement of better housing outcomes over the long term.

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