

Gouvernement du Québec

### Global Agreement Canada-Québec

An Act respecting Makivik Corporation  
(R.S.Q., c. S-18.1)

An Act respecting Northern Villages and the Kativik  
Regional Government  
(R.S.Q., c. V-6.1)

An Act respecting the Société d'habitation du Québec  
(R.S.Q., c. S-8)

Agreement respecting the implementation of the James  
Bay and Northern Québec agreement related to  
housing in Nunavik entered into May 16th, 2005

Notice is, hereby, given that the Government of  
Canada, the Government of Québec, Kativik Municipal  
Housing Bureau, Kativik regional Government and  
Makivik Corporation have signed, on the 16th day of  
May, 2005, an Agreement respecting the implementa-  
tion of the James Bay and Northern Québec Agreement  
related to housing in Nunavik, reproduction of the text is  
joined to the present.

*La secrétaire de la*  
*Société d'habitation du Québec,*  
NATHALIE CAMPEAU

#### AN AGREEMENT RESPECTING THE IMPLEMENTATION OF THE JAMES BAY AND NORTHERN QUÉBEC AGREEMENT RELATED TO HOUSING IN NUNAVIK

BETWEEN

MAKIVIK CORPORATION, a corporation duly incor-  
porated by Special Act of the National Assembly of  
Québec, (R.S.Q., c. S-18.1), herein acting for and on  
behalf of the Inuit of Québec and on its own behalf and  
represented by its undersigned authorized representative

Hereinafter referred to as “Makivik”

AND

KATIVIK REGIONAL GOVERNMENT, an organization  
duly incorporated by an Act respecting Northern  
Villages and the Kativik Regional Government, (R.S.Q.,  
c. V-6.1), herein acting on its own behalf and authorized  
to sign this agreement and to represent and act on behalf  
of the 14 northern villages in the Kativik Region, corpo-  
rations duly incorporated under the same statute

Hereinafter referred to as “the KRG”

AND

KATIVIK MUNICIPAL HOUSING BUREAU, a corpo-  
ration duly incorporated by la Loi sur la Société  
d'habitation du Québec, (R.S.Q., c. S-8), herein acting  
on its own behalf and represented by its undersigned  
authorized representative

Hereinafter referred to as “the KMHB”

AND

The GOVERNMENT OF QUÉBEC, as represented by  
the ministre des Affaires municipales et des Régions,  
le ministre responsable des Affaires intergouvernementales  
canadiennes, de la Francophonie canadienne, de l'Accord  
sur le commerce intérieur, de la Réforme des institutions  
démocratiques et de l'Accès à l'information, and the  
ministre délégué aux Affaires autochtones

Hereinafter referred to as “Québec”

AND

The GOVERNMENT OF CANADA as represented by  
the Minister of Indian Affairs and Northern Develop-  
ment

Hereinafter referred to as “Canada”

Hereinafter referred to as “The Parties”

WHEREAS Canada and Makivik recognize that this  
agreement settles any and all disputes related to the  
provision of housing under the James Bay and Northern  
Québec Agreement (JBNQA) which have been subject  
to the Dispute Resolution Mechanism contemplated by  
the JBNQA Implementation Agreement (1990) concluded  
between Canada and Makivik;

WHEREAS the Parties are committed to arranging a  
unified system as contemplated in subsection 29.0.40 of  
the JBNQA;

WHEREAS the Parties concluded, in September 2000,  
a five-year agreement to provide for the achievement of  
Inuit housing in the Kativik Region, i.e. over fiscal years  
2000-2001 through 2004-2005, which agreement provided  
for the negotiation of the renewal of this agreement;

WHEREAS, pursuant to section 7.2 of the agreement  
dated September 2000, the Parties have hereby agreed to  
its renewal;

WHEREAS the Parties acknowledge the importance of using the construction, operation and maintenance of housing as an opportunity for Inuit to acquire new skills, while promoting labour force training and job creation for Inuit as well as other economic benefits to Inuit communities;

WHEREAS Québec, acting through and under the leadership of the Société d'habitation du Québec (SHQ), with the agreement of the KRG and the KMHB, agrees to implement a new rent scale which shall be applied by the KMHB to all Nunavik social housing as of July 1st, 2005 or, under exceptional circumstances, no later than January 1st, 2006.

THEREFORE THE PARTIES DO HEREBY AGREE AS FOLLOWS :

## 1. DEFINITIONS

In this agreement,

1.1 "Capital Costs" means

1.1.1 costs for housing construction site preparation;

1.1.2 costs of acquisition of pre-fabricated houses including transportation costs, packaging and on-site assembly, or, the purchase costs of materials necessary for on-site construction of houses, including transportation, packaging and storage costs;

1.1.3 costs of labour for on-site assembly or construction;

1.1.4 costs of municipal building permits;

1.1.5 insurance costs related to the transportation of building materials or prefabricated houses, as well as insurance costs related to construction and assembly;

1.1.6 honoraria and professional fees related to cost for call for tender, design, construction, and acquisition of housing units;

1.1.7 costs related to obtaining warrantees pursuant to Regulation for the New Residential Building Warranty Plan enacted under the Building Act (R.S.Q., c. B-1.1);

1.1.8 costs to purchase, transport and install a stove and a refrigerator;

1.1.9 while not capital costs per se, Canada recognizes administrative costs as being covered by Canada's contribution, up to a maximum per Inuit housing unit of \$5,000, or any amount subsequently agreed to by the Parties;

1.1.10 interest costs incurred in the pre-purchase of materials and labour prior to April 1 of a given Fiscal Year or prior to that year's construction season;

1.1.11 interest costs incurred due to meeting temporary cash flow shortages as a consequence of the payment of the goods and services tax (GST) and of the Québec sales tax (QST) on eligible Capital Costs.

1.2 "Inuit Beneficiary" means a person eligible to registration as a beneficiary of the James Bay and Northern Quebec Agreement (JBNQA) under Chapter 3 of the JBNQA, which chapter shall be replaced by Chapter 3A of Complementary Agreement No. 18 to the JBNQA, when this Complementary Agreement shall become effective and be implemented.

1.3 "Contribution" means a conditional transfer payment for a specified purpose that is subject to being accounted for and audited for the purpose of determining adherence to terms and conditions of payment and for which unexpended balances or unallowable expenditures are to be reimbursed to Canada.

1.4 "Operating Costs" means actual eligible costs incurred for each Inuit Housing unit, where identifiable, and a pro-rated share of the costs incurred at the portfolio level for Inuit Housing in the following categories:

1.4.1 cost of taxes and nominal land rental;

1.4.2 cost of insurance;

1.4.3 maintenance costs;

1.4.4 management and training costs;

1.4.5 heating costs;

1.4.6 cost of electrical power;

1.4.7 cost of water and sewage;

1.4.8 cost of waste disposal;

1.4.9 modernisation, improvement or restoration costs.

1.5 “Inuit Housing” means any housing unit built under this agreement.

1.6 “Fiscal Year” means the time period extending for one year from April 1st to March 31st.

## 2. FUNDING

### 2.1 Funding from Canada

2.1.1 Canada agrees to contribute, for Fiscal Year 2005-2006, \$12.5 million for the Capital Costs of constructing Inuit Housing in Nunavik.

2.1.2 With respect to 2006-2007 and each subsequent Fiscal Year under this Agreement, Canada shall contribute an amount equal to the previous year’s contribution and adjusted for inflation and population. Each year the contribution will be increased by the rate of growth of the Population of Inuit Beneficiaries in the Kativik Region, and by an inflation index based on a three-year moving average of the Final Domestic Demand Implicit Price Index (FDDIPI), as specified in Annex A of this Agreement.

2.1.3 Canada’s annual payments under this agreement shall be paid to Makivik, in the form of Contributions, on April 1st of each Fiscal Year from 2005-2006 to 2009-2010, or as soon after that date as is practicable.

### 2.2 Funding from Québec

2.2.1. Québec agrees to pay directly, for a period of twenty years, to KMHB or any successor organization the difference between the Operating Costs of each Inuit housing unit and the rental revenues collected thereon, from the date of initial occupancy of each such housing unit. Funding from Québec is estimated to be equivalent to Canada’s contribution under this agreement.

## 3. PROVISIONS APPLICABLE TO MAKIVIK

3.1 Makivik shall use the annual payments made under this agreement exclusively for the Capital Cost of Inuit Housing.

3.2 With respect to Canada’s contribution for Capital Costs under this agreement, Makivik shall reimburse Canada any unexpended funds or funds not used for the purposes intended under this agreement.

3.3 Any and all interest revenues earned on funding provided by Canada under this agreement shall be spent by Makivik on the construction of Inuit housing units.

3.4 In constructing Inuit Housing, Makivik shall conform to or surpass applicable building standards and codes established by Canada, Québec and by SHQ.

3.5 Upon completion of construction of an Inuit Housing unit, ownership of that housing unit shall be transferred from Makivik to the KMHB for one dollar.

## 4. MATTERS RELATED TO QUÉBEC PROGRAMMING

4.1 Quebec, acting through and under the leadership of the SHQ, with the agreement of the KRG and the KMHB, and following a consultation conducted among the 14 northern villages of the Kativik Region, agrees to implement a new rent scale over a fifteen year period, which shall be applied by the KMHB to all Nunavik social housing as of July 1st, 2005 or, under exceptional circumstances, no later than January 1st, 2006.

4.2 This agreement shall be in addition to, but shall not affect, existing or future Québec housing programs applicable in Nunavik, including the Home Ownership Program for Residents of the Kativik Region, the Quebec Affordable Housing Program-Kativik Component, the Home Renovation Program for Owners-Occupiers in the Kativik Region, and the Remote Housing Program.

## 5. NUNAVIK HOUSING COMMITTEE

5.1 A Nunavik Housing Committee (NHC) is established, consisting of two representatives from Canada, two from Québec, and one from each of Makivik, the KRG and the KMHB. The NHC shall meet three times yearly and shall monitor, advise, and assist the Parties on the implementation of this agreement.

5.2 The NHC may suggest to the Parties any initiative or measure to ensure that the financial resources provided under this agreement are used in such a manner that Makivik and the KMHB, respectively undertaking the construction and operation of Inuit housing units, may construct an optimum number of Inuit housing units while allowing Inuit to acquire skills to promote labour force training, job creation as well as other long term economic benefits to the Inuit of Nunavik.

## 6. INFORMATION EXCHANGE AND REPORTING

6.1 Subject to applicable access to information and protection of personal information, the Parties shall collect, maintain, share, and disclose, in a timely manner, information reasonably required for the purposes of implementation, monitoring, and renewal of this agreement.

6.2 Makivik shall make available to the Parties, by June 30th of each Fiscal Year, a detailed annual audited financial statement of Capital Costs of Inuit Housing for the immediately preceding Fiscal Year. This audit shall certify that Makivik used all interest earned on contribution funding on the construction of Inuit housing units, as required by para 3.3.

Makivik shall make available to the NHC the specific planning and information elements listed in Annex B within the timeframes specified therein.

6.3 The NHC shall agree upon the necessary information to be provided by the KMHB to monitor the implementation of this agreement.

6.4 Québec, through the SHQ, shall provide to the Parties, by May 31st of each Fiscal Year, a detailed annual audited financial statement of Operating Costs, rental revenues and funding on Inuit Housing for the immediately preceding year.

#### 7. COMMITMENT TO A PROCESS OF RENEWAL

7.1 The NHC shall undertake a program evaluation of the results of this agreement during its implementation and shall formulate, where relevant, recommendations to the Parties. This evaluation shall be completed no later than March 31st, 2009.

7.2 The Parties shall begin negotiating a successor agreement to this agreement prior to the beginning of the fifth Fiscal Year of this agreement and shall undertake all reasonable steps to conclude a successor agreement by December 31st, 2009.

#### 8. DISPUTE RESOLUTION

8.1 Any dispute respecting the implementation of this agreement shall first be referred by the Parties to the NHC which shall make every reasonable effort to resolve the dispute by cooperation and agreement. This in no way precludes Canada and Makivik from subsequently pursuing such disputes through the Dispute Resolution Mechanism specified in Annex H of the JBNQA Implementation Agreement (1990).

#### 9. ACKNOWLEDGMENT

9.1 Provided that Canada fulfills all its' obligations under this agreement, including the negotiation of a successor to this agreement, it will be deemed to have fulfilled all obligations it may have related to housing pursuant to the JBNQA for the past and during the term of this agreement.

9.2 Provided that Québec fulfills all its' obligations under this agreement, including the negotiation of a successor to this agreement, it will be deemed to have fulfilled all obligations it may have related to housing pursuant to the JBNQA for the past and during the term of this agreement.

#### 10. FINAL PROVISIONS

10.1 No member of the House of Commons of Canada, the Senate of Canada, or the National Assembly of Québec shall be admitted to take part in any contract or agreement concluded or commission obtained under this agreement or take advantage from any benefit arising therefrom.

10.2 Notwithstanding any other provision of this agreement, any funding provided pursuant to this agreement shall be subject to appropriation by the Parliament of Canada and by the National Assembly of Québec.

10.3 It is the express intent of the Parties to this agreement that nothing herein be considered an amendment to, modification of, or derogation from the JBNQA, and without limiting the generality of the foregoing, that nothing herein affects the application of subsections 2.11 and 2.12 of the JBNQA. The Parties to this agreement expressly agree that nothing herein constitutes a supplementary amending agreement or a complementary agreement within the meaning of, respectively, Section 4 of the James Bay Native Claims Settlement Act (S.C. 1976-1977, c. 32) and section 3 of An Act approving the Agreement concerning James Bay and Northern Quebec (R.S.Q., c. C-67) and of subsection 2.15 of the JBNQA. The Parties hereto further agree that this agreement constitutes a contract between the parties for the implementation of certain provisions of the JBNQA related to housing. Moreover, the present agreement does not constitute an agreement or treaty pursuant to Section 35 of the Constitution Act, 1982 and should not be interpreted in any way as giving effect to an abrogation, a derogation, a negation or a recognition of an aboriginal or treaty right or such other native right.

10.4 This agreement does not affect the terms of the agreement signed respectively by Québec and Canada on February 10th, 1981 and on February 13th, 1981.

10.5 Canada and Québec are entering into this agreement pursuant to any obligations they may have pursuant to the JBNQA in relation to housing.

10.6 There will be a French, an English and an Inuktitut version of this agreement. The French and English versions will be considered authoritative.

10.7 This agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, and such counterparts shall constitute the one and the same instrument, shall be deemed to be dated as of the date of this agreement.

10.8 This agreement shall be governed and interpreted in accordance with the laws of the province of Québec, and any law of Canada as may apply.

IN WITNESS THEREOF, THE PARTIES HAVE SIGNED,

FOR MAKIVIK

\_\_\_\_\_  
PITA AATAMI,  
*President, Makivik Corporation*

\_\_\_\_\_  
*Witness*

FOR THE KATIVIK REGIONAL GOVERNMENT AND THE 14 NORTHERN VILLAGES IN THE KATIVIK REGION

\_\_\_\_\_  
JOHNNY N. ADAMS,  
*Chairman, Kativik Regional Government*

\_\_\_\_\_  
*Witness*

\_\_\_\_\_  
INA GORDON,  
*Corporate Secretary, Kativik Regional Government*

\_\_\_\_\_  
*Witness*

FOR THE KATIVIK MUNICIPAL HOUSING BUREAU

\_\_\_\_\_  
MAGGIE EMUDLUK,  
*President, Kativik Municipal Housing Bureau*

\_\_\_\_\_  
*Witness*

FOR QUÉBEC

\_\_\_\_\_  
NATHALIE NORMANDEAU,  
*Ministre des Affaires municipales et des Régions*

\_\_\_\_\_  
*Witness*

\_\_\_\_\_  
BENOÎT PELLETIER,  
*Ministre responsable des Affaires intergouvernementales canadiennes, de la Francophonie canadienne, de l'Accord sur le commerce intérieur, de la Réforme des institutions démocratiques et de l'Accès à l'information*

\_\_\_\_\_  
*Witness*

\_\_\_\_\_  
GEOFFREY KELLEY,  
*Ministre délégué aux Affaires autochtones*

\_\_\_\_\_  
*Witness*

FOR CANADA

\_\_\_\_\_  
ANDY SCOTT,  
*Minister, Indian Affairs and Northern Development*

\_\_\_\_\_  
*Witness*

## SCHEDULE A

### ANNUAL ADJUSTMENT FORMULA

#### Description :

Canada's Contribution in any Fiscal Year of this Agreement, following the 2005-2006 Base Year, will be adjusted by applying inflation adjustors and population adjustors (based on population change), as specified below :

Population Change Adjustor : (Percentage rounded to the third decimal place)

On or before the coming into force and implementation of Complementary Agreement No. 18 to the JBNQA, the population change adjustor shall be measured on the basis of the year to year changes in the population of eligible Inuit beneficiaries in the Kativik Region, as shown in the Register of Inuit Beneficiaries, maintained by the ministère de la Santé et des Services sociaux du Québec, for June 30th of the Most Recent Year, extracted from the database on September 15th of that year. For the purposes of the population change adjustor, the "Most Recent Year" is the year prior to the year in which the

payment is being made. After the coming into force and implementation of the Complementary Agreement No. 18 to the JBNQA, the Register of Inuit Beneficiaries shall be maintained in accordance with its provisions.

Inflation Adjustor: (Percentage rounded to the third decimal place)

The inflation adjustor is measured on the basis of the three-year moving average in the FDDIPI (Final Domestic Demand Implicit Price Index – seasonally adjusted), which on the date of signing of this Agreement is reported in the Statistics Canada Catalogue #13-001-XPB, titled The National Income and Expenditure Accounts, Table 30 on May 6th, 2004. This is calculated on the basis of the FDDIPI values for the most recent year and the three previous years thereto. For the purposes of the inflation adjustor, the “Most Recent Year” shall be the calendar year two years prior to the Fiscal Year in which the payment is to be made (therefore, if the payment is to be made in Fiscal Year 2006-2007, the most recent calculation year is 2004).

Calculation steps:

1. Use previous year’s contribution amount.
2. Derive the percentage increase for population by dividing the year over year increase in the Population of Inuit Beneficiaries in the Kativik Region by the population in the year prior to the Most Recent Year, using June 30th as the reference point.
3. Multiply the percentage increase in population calculated above by the prior year funding base amount obtained in Step 1, to arrive at the volume adjustment.
4. The above volume adjustment is then added to the prior year Contribution to give the adjusted funding base amount **BEFORE THE INFLATION ADJUSTMENT**.
5. Derive the percentage increase for inflation by dividing the year over year increase in the four most recently available Final FDDIPI values. For the purposes of this Annex, the “Most Recent Year” shall be the calendar year two years prior to the Fiscal Year in which the payment is to be made (therefore, if the payment is to be made in Fiscal Year 2006-2007, the most recent calculation year is 2004). Then calculate the average of these three annual increases and this percentage determines the annual percentage increase for inflation. Each year the reference period moves forward one year.

6. Multiply the percentage increase in inflation calculated in Step 5 by the adjusted base funding after volume indexation calculated in Step 4.

7. Add the above inflation adjustment as calculated to the adjusted base funding amount as calculated in Step 4 to obtain the amount of the Contribution.

8. The amount determined in the above steps constitutes the amount of the Contribution for the year in which the payment is being made.

## **SCHEDULE B**

### **PLANNING AND INFORMATION ELEMENTS**

The following elements will be made available to the NHC.

#### **5-year Housing Construction Plan**

By September 15th, 2005, Makivik, in conjunction with the KMHB, shall submit an Inuit Housing Construction Plan covering the years of the Agreement, specifying the total numbers and size of the housing units to be constructed.

#### **Annual Housing Construction Plan**

By February 1st of each year, starting in 2005, Makivik, in conjunction with the KRG, shall provide to the NHC a plan specifying the number and size of housing units to be constructed, and their locations, for the upcoming fiscal year. Changes from the 5-year Housing Construction Plan should be explained in the Annual Housing Plan.

#### **Annual Housing Construction Report**

By June 1st of each year, Makivik shall provide a report on the number and size of housing units constructed in the just-completed fiscal year, and their locations.

#### **Annual Employment and Training Report**

By June 1st of each year, Makivik shall provide a report, with respect to the construction year just completed, which will provide the necessary data related to the acquisition of skills and job creation for the benefit of the Inuit population of Nunavik under this agreement.