

ARTICLE 24

Government Contracting

Presentation to the
NLCA-303 Workshop



ARTICLE 24 – Objectives

- ▶ INCREASED INUIT PARTICIPATION IN BUSINESS OPPORTUNITIES
- ▶ IMPROVED CAPACITY FOR INUIT FIRMS TO COMPETE FOR GOVERNMENT CONTRACTS
- ▶ INUIT EMPLOYMENT AT REPRESENTATIVE LEVEL

ARTICLE 24 – Requirements

- ▶ INUIT FIRM REGISTRY
- ▶ FEDERAL & TERRITORIAL PROCUREMENT POLICIES
- ▶ CONSULTATION WITH NTI ON PROCUREMENT POLICIES
- ▶ PERFORMANCE MONITORING

ARTICLE 24: Inuit Firms

- ▶ **REGISTRY ADMINISTERED BY NTI**
- ▶ **FIRST APPLICATIONS 1994**
- ▶ **140 INUIT FIRMS BY NOVEMBER 1996**
- ▶ **NOW ABOUT 225 REGISTERED INUIT FIRMS**
- ▶ **www.inuitfirm.com**

ARTICLE 24: Inuit Firms

- ▶ Registered by NTI
- ▶ Inuk sole proprietorship
- ▶ Inuk partnership
- ▶ Co-op controlled by Inuit
- ▶ Corporation with 51% Inuit voting shares

ARTICLE 24: Territorial Policy

- ▶ NNI Policy negotiated between GN and NTI
- ▶ Replaced GNWT BIP
- ▶ Established in 2000
- ▶ Revised 2002, 2004, 2005, 2006
- ▶ Applies to GN Contracts any where in Canada

ARTICLE 24 – NNI POLICY OBJECTIVES

- ▶ GOOD VALUE & FAIR COMPETITION
- ▶ STRENGTHENING NUNAVUT ECONOMY
- ▶ INUIT PARTICIPATION IN NUNAVUT ECONOMY (REFLECTING INUIT POPULATION)
- ▶ EDUCATION AND TRAINING (SKILLED WORKFORCE REFLECTING INUIT POPULATION)

ARTICLE 24 – NNI Policy

BID PREFERENCES

- ▶ INUIT FIRMS (Inuit Firm Registry)
- ▶ NUNAVUT BUSINESSES (NNI Business Registry)
- ▶ LOCAL BUSINESSES

ARTICLE 24 – NNI NUNAVUT BUSINESS

DEFINED IN NNI POLICY

- UNINCORPORATED – NUNAVUT RESIDENT PROPRIETOR
- PARTNERSHIP – MAJORITY INTERESTS & BENEFITS HELD BY NUNAVUT RESIDENTS
- CO-OP – 51% OF VOTING SHARES HELD BY NUNAVUT RESIDENTS
- CORPORATION – 51% OF VOTING SHARES OWNED BY NUNAVUT RESIDENTS

ARTICLE 24 – NNI LOCAL BUSINESS

DEFINED IN NNI POLICY

- ▶ A NUNAVUT BUSINESS OR INUIT FIRM
- ▶ LOCATED IN THE COMMUNITY WHERE THE WORK IS DONE (BUSINESS SPACE YEAR-ROUND)
- ▶ LOCAL RESIDENT MANAGER
- ▶ MANAGEMENT & ADMINISTRATION OF LOCAL ACTIVITY DONE IN THE COMMUNITY

ARTICLE 24 – NNI BID ADJUSTMENTS

TENDERS

	ORIGINAL POLICY 2000 - 2004	REVISED POLICY 2004 -
INUIT FIRM	3%	7%
NUNAVUT BUSINESS	14%	7%
LOCAL BUSINESS	3%	7%
<i>MAXIMUM</i>	<i>20%</i>	<i>21%</i>

ARTICLE 24 – NNI

BID ADJUSTMENTS PROPOSALS (RFPs)

- ▶ INUIT EMPLOYMENT 10%
- ▶ INUIT OWNERSHIP 5%
- ▶ PRICE BID ADJUSTMENTS (21%) APPLIED TO COST COMPONENT

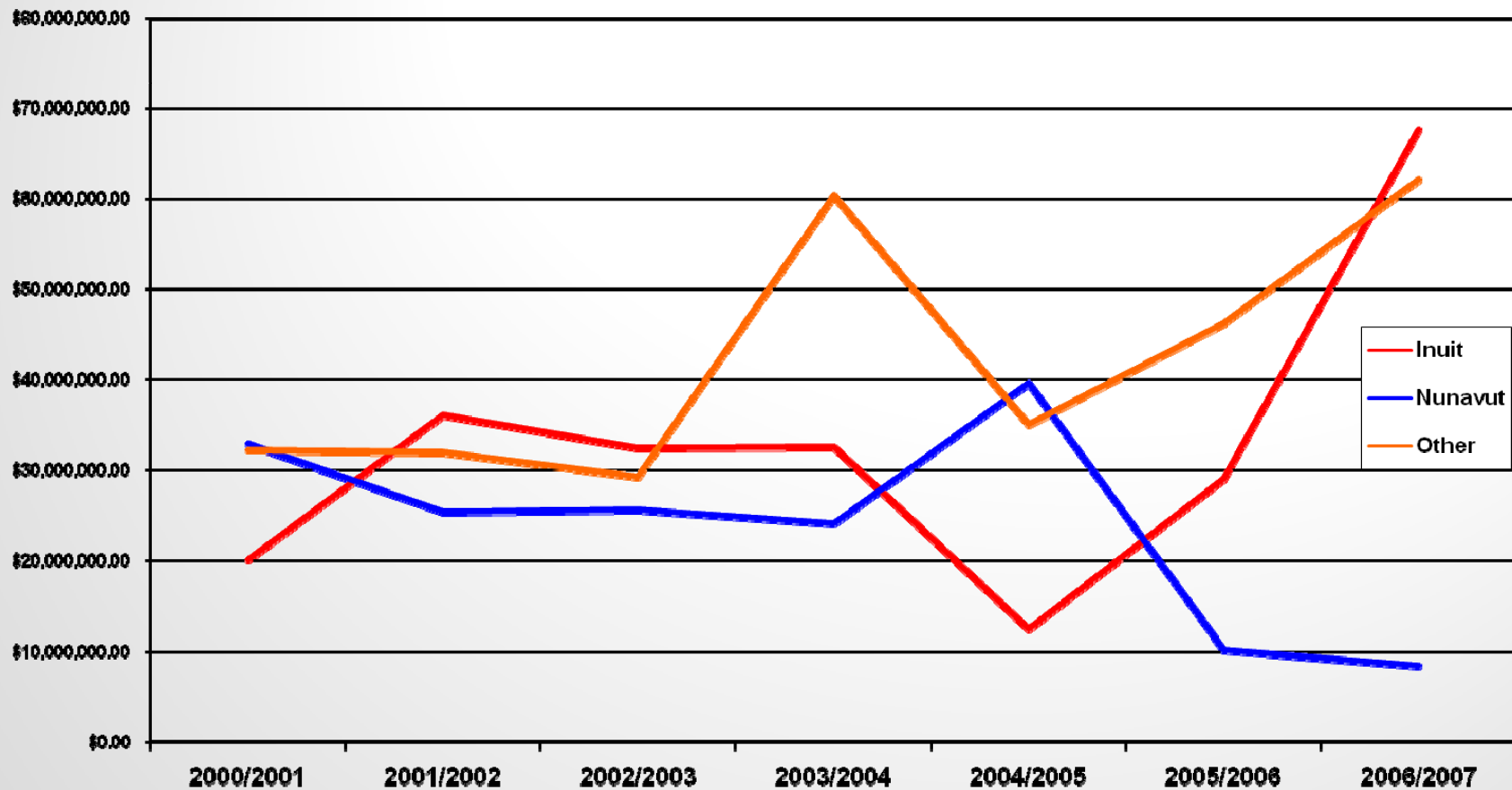
ARTICLE 24 – NNI Policy

CONTRACTING APPEALS BOARD

- ▶ ESTABLISHED 2004 (DISPUTE WITH GN)
- ▶ UNSUCCESSFUL BIDDERS MAY APPEAL CONTRACT AWARD
- ▶ APPEAL BASED ON NNI POLICY ONLY
- ▶ MAY RECOMMEND COMPENSATION, TERMINATION OF CONTRACT, CHANGE IN CONTRACTING PROCEDURES, ETC.
- ▶ MAY CONSIDER NNI MATTERS JOINTLY REFERRED BY NTI AND THE NUNAVUT GOVERNMENT

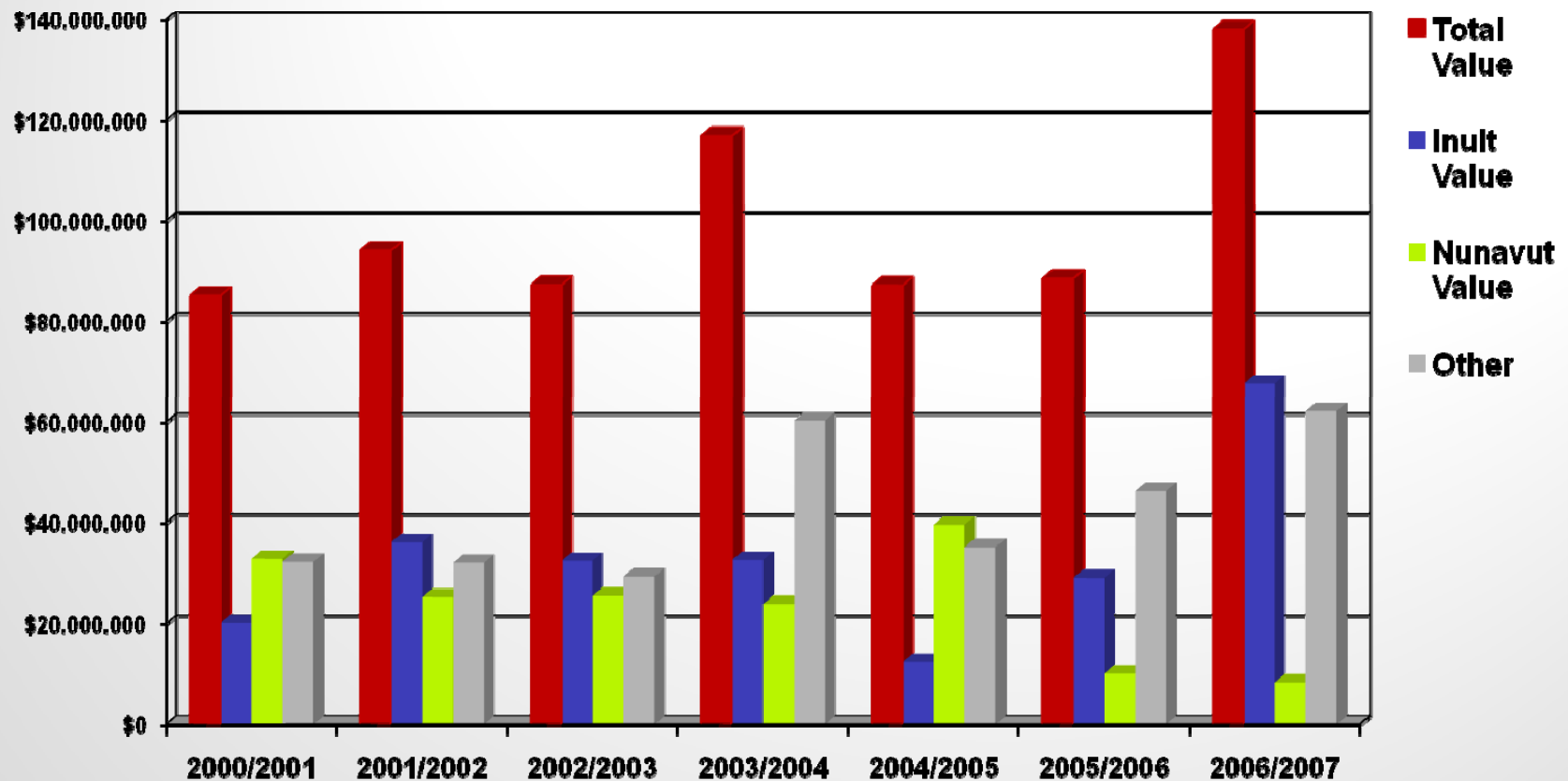
ARTICLE 24 -- NNI CONTRACT DATA

TOTAL VALUE 2000-7



ARTICLE 24 -- NNI CONTRACT DATA

TOTAL VALUE 2000-7



Article 24 – Federal Policy

- ▶ Requirement under Article 24 (24.3.1 & 24.3.2) for Government of Canada to develop and maintain Nunavut specific Procurement Policies
- ▶ As of today, no overarching Nunavut-specific Federal Procurement Policy has been negotiated
- ▶ A standardized process for ALL Government of Canada procurement would be mutually beneficial

Article 24 – Federal Policy

- ▶ Federal Policies that may apply in Nunavut – although not frequently used
 - Procurement Strategy for Aboriginal Business
 - Aboriginal Benefits Package
- ▶ PSAB and ABP do not contain bid adjustments (NNI) or mandatory minimums (DND–NTI DEWLINe)
- ▶ Not based on NTI consultation or negotiation

ARTICLE 24 – DEW-line

The map displays the locations of various sites along the DEW line in northern Canada. A legend in the top left corner identifies three types of sites: red dots for DEW line cleanup sites (DND), blue dots for INAC administered radar sites, and yellow dots for NWS cleanup sites. The sites are labeled with codes such as BAR-1, BAR-2, BAR-3, BAR-4, PIN-1, PIN-2, PIN-3, PIN-4, CAM-1, CAM-2, CAM-3, CAM-4, CAM-5, CAM-6, CAM-7, CAM-8, CAM-9, CAM-10, CAM-11, CAM-12, CAM-13, CAM-14, CAM-15, CAM-16, CAM-17, CAM-18, CAM-19, CAM-20, CAM-21, CAM-22, CAM-23, CAM-24, CAM-25, CAM-26, CAM-27, CAM-28, CAM-29, CAM-30, CAM-31, CAM-32, CAM-33, CAM-34, CAM-35, CAM-36, CAM-37, CAM-38, CAM-39, CAM-40, CAM-41, CAM-42, CAM-43, CAM-44, CAM-45, CAM-46, CAM-47, CAM-48, CAM-49, CAM-50, CAM-51, CAM-52, CAM-53, CAM-54, CAM-55, CAM-56, CAM-57, CAM-58, CAM-59, CAM-60, CAM-61, CAM-62, CAM-63, CAM-64, CAM-65, CAM-66, CAM-67, CAM-68, CAM-69, CAM-70, CAM-71, CAM-72, CAM-73, CAM-74, CAM-75, CAM-76, CAM-77, CAM-78, CAM-79, CAM-80, CAM-81, CAM-82, CAM-83, CAM-84, CAM-85, CAM-86, CAM-87, CAM-88, CAM-89, CAM-90, CAM-91, CAM-92, CAM-93, CAM-94, CAM-95, CAM-96, CAM-97, CAM-98, CAM-99, CAM-100. An inset map in the top right corner shows the location of the DEW line within the context of the entire Canadian landmass.



ARTICLE 24 – DEW–Line (DND) Agreement

- ▶ Environmental Provisions (1998)
- ▶ Economic Agreement (2001)
- ▶ Monitoring Agreement (2005).

ARTICLE 24 – DEW–Line (DND)

- ▶ **Steering Committee (DND/NTI): makes decisions**
- ▶ **Environmental Working Group (advisory)**
- ▶ **Contracting Working Group (advisory)**
- ▶ **Mandatory minimums: MICC: 60–75%**
- ▶ **Mandatory minimums: MIEC: 65–85%**

ARTICLE 24 –Monitoring (1)

- ▶ 2006 NTI and other Aboriginal groups discussed monitoring of Federal Contracts with Treasury Board Secretariat (TBS)
- ▶ NTI was identified as a leader in CLCA contracting and assisted TBS in a two-year process to establish a contract monitoring mechanism

ARTICLE 24 – Monitoring (2)

- ▶ 2008 Amendment to TB Contracting Policy (CPN 2008–4).
- ▶ Amendment was intended to improve data collection & distribution of information on federal contracting in CLCA areas
- ▶ Most of the added data elements mirror GN Annual Contract Data Report and will assist in data cross comparisons

ARTICLE 24 –Monitoring (3)

- ▶ Reporting mechanism requires Annual and Quarterly reports
- ▶ First set of reporting were due at the end of the first fiscal quarter, 2009. There has been no information communicated on when the proposed website or reports will be distributed
- ▶ Before Amendment no data has been available on Federal Contracting in Nunavut

ARTICLE 24

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