

JULIE GREEN, MLA YELLOWKNIFE CENTRE

**RETURN TO ORAL QUESTION 36-18(3):
MODULAR PUBLIC HOUSING UNITS**

FEBRUARY 5, 2019

HON. ALFRED MOSES: Thank you, Mr. Speaker. Mr. Speaker, I have a return to oral question asked by the Member for Yellowknife Centre on October 19, 2017, regarding Northwest Territories Housing Corporation modular units construction.

In terms of modular versus stick-built construction, experience has shown that costs can be comparable in more northern communities due to shipping and transportation costs. Where a community can be accessed through the road system, savings are expected from a modular approach.

The original calculation of construction cost savings did include the payment of a cash advance to Concept Energy Services Ltd.

The amount of the advance was \$1.34 million and was supported by the signed legal agreement requiring partial recoveries from subsequent progress-draw payments as the work is completed. This advance has now been fully recovered from Concept Energy Services Ltd.

The Northwest Territories Housing Corporation provided Concept Energy Services Ltd. with the advance in order to assist with up-front material purchases. This is consistent with practices in the modular home industry, where up-front capital is required. This advance was provided in accordance with Section 99 of the Financial Administration Act. Thank you, Mr. Speaker.