

Return to Written Question

THE HONOURABLE CAROLINE COCHRANE
MINISTER RESPONSIBLE FOR THE NORTHWEST TERRITORIES HOUSING
CORPORATION

Northwest Territories Housing Corporation Modular Units Construction

Mr. Speaker, I have a Return to Written Question asked by Ms. Green on October 20, 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 being completed. This advance has now been fully recovered from Concept Energy Services Ltd.

The NWT Housing Corporation provided Concept Energy Services Ltd. with the advance in order to assist with upfront material purchases.

2-18(3)

This is consistent with practices in the modular home industry, where upfront capital is required. This advance was provided in accordance with Section 99 of the *Financial Administration Act*

Thank you, Mr. Speaker.