



GOVERNMENT OF
NUNAVUT
ANNUAL CONTRACT
DATA REPORT

FISCAL YEAR 2002/2003



Prepared by the Department of Public Works and Services
Contracts and Procurement Section, Operations Division

GOVERNMENT OF NUNAVUT
ANNUAL CONTRACT DATA REPORT
FISCAL YEAR 2002/2003

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INTRODUCTION

The Government of Nunavut's Annual Contract Data Report was prepared by the Department of Public Works and Services (PW&S). The organization of this report is based on the Government of Nunavut (GN) Contract Procedures Manual, Section 16, and information available from GN databases.

The Report presents statistical information about GN contracts reported by other Departments, and PW&S Regional Offices and Divisions, to PW&S Contracts and Procurement Section. Contracts by the Nunavut Housing Corporation are not reported to PW&S and are not included in this report. Contract information in this report is for contracts awarded during fiscal year 2002/2003, and some information updates are provided for contracts awarded in fiscal year 2001/2002. Public Works can not guarantee the accuracy of contract information reported by Departments, however, we do make best efforts to verify the information and ensure Departments are fully aware of the reporting requirements set out in the NNI Policy and the GN Contract Procedures Manual.

DEFINITION OF TERMS

"Goods": In this report, "Goods" means contracts for the purchase of goods, which are primarily entered into by the Contracts & Procurement Purchasing Section on behalf of Government of Nunavut Departments.

"Inuit": In this report, contracts to "Inuit" means contracts with Inuit firms that were registered with Nunavut Tunngavik Inc. (NTI).

"LCA" or "Local Contract Authority": means contracts using an LCA form for local purchases that do not exceed \$5,000 in value. Use of this form is restricted to contracting with parties located in Nunavut.

"Local": In this report, "Local" contracts are those awarded to registered Inuit or Nunavut businesses that are based in the same community where the work is being carried out.

"Nunavut": In this report, contracts to "Nunavut" means contracts with Nunavut firms that were registered with the GN as such. For this report, if a Nunavut firm is also registered with NTI as an Inuit firm, then the contract is counted as a contract to Inuit, rather than a contract to Nunavut.

"Other": In this report, contracts to "Other" means contracts with persons, organizations, or firms that were not registered as an Inuit firm with NTI, or as a Nunavut firm with the Government of Nunavut.

"Purchase Orders": In this report, "Purchase Orders" means contracts for purchase of goods primarily entered into by the Contracts and Procurement Purchasing Section on behalf of Government of Nunavut Departments.

"Sole Source": In this report, "Sole Source" means a contract that was entered into without a competitive request for tenders or proposals. The criteria are noted on Page 18 of this report.

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REPORT SUMMARY

This is a summary of the Report, highlighting the participation of Inuit and Nunavut registered firms, and Inuit labour in Government contracts.

- **All Contracts:** 11,181 contracts were awarded in 2002/2003 fiscal year; 41% were to Inuit, and 45% to Nunavut. The total dollar value of all contracts was \$87,219,406.74: 37% of dollars to Inuit, and 29% to Nunavut.
- **Small Contracts:** 1321 Small Contracts were awarded; 29% were to Inuit, and 25% to Nunavut. The total dollar value of Small Contracts was \$5,216,255.89: 27% of dollars to Inuit, and 31% to Nunavut.
- **Local Contract Authorities (LCA's):** 9113 LCA's were issued; 43% were to Inuit, and 46% to Nunavut. The total dollar value of LCA's was \$3,961,791.00: 34% of dollars to Inuit, and 54% to Nunavut.
- **Large Contracts - Including Goods:** 747 Large Contracts were awarded; 30% were to Inuit firms, and 35% to Nunavut. The total dollar value of Large Contracts was \$78,041,359.34: 38% of dollars to Inuit, and 30% to Nunavut.
- **Large Contracts - Excluding Goods:** 234 contracts were awarded; 26% were to Inuit, 31% to Nunavut. The total dollar value of these contracts was \$64,399,614.06: 39% of value to Inuit, and 29% of value to Nunavut.
- ◆ **Contract Type Analysis:** For the 234 Large Contracts - Excluding Goods - 44% of contracts were for Consulting Services, Major Construction, Minor Construction and Maintenance, and Service Contracts. 60% of the value was for Consulting Services, Major Construction, and Service Contracts.
 - Inuit and Nunavut companies won 93% of Minor Construction contracts (Inuit 37%, Nunavut 56%) and 85% of Major Construction contracts (Inuit 58%, Nunavut 27%)
 - Inuit and Nunavut companies were awarded 96% of dollars for Minor Construction contracts (37% Inuit, 59% Nunavut) and 84% of dollars for Major Construction (57% Inuit, 27% Nunavut)
- ◆ **Contract Method Analysis:** Out of 234 Large Contracts - Excluding Goods - 71% were competitive requests for submissions (tenders or proposals), and 29% were sole source awards. The total value of these contracts was \$64,399,614.06: 87% of the value was for competitive requests for submissions and 13% was for Sole Source contracts.
 - Although most Sole Source contracts were not awarded to Inuit and Nunavut firms, 55% of the dollar value was awarded to Inuit and Nunavut firms. These Sole Source contracts were primarily Service Contracts.
- ◆ **Awards to Local Businesses:** For the 234 Large Contracts - Excluding Goods - - 59 contracts were to Local businesses: 44% of these to Inuit, and 56% to Nunavut. The dollar value for Local contracts was \$8,956,450.24: 59% of this to Inuit, and 41% to Nunavut.

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REPORT SUMMARY CONTINUED

- **Submissions Received:** Considering the main contract types for Small and Large Contracts (excluding Goods and LCA's and Sole Source Awards), in general where Inuit firms are bidding, they are winning a significant percentage of the contracts.
 - For Minor Construction and Maintenance Services, Inuit firms submitted 33% of the bids, and won 37% of the contracts. For Major Construction, Inuit firm submitted 47% of the bids, and won 65% of the contracts.
 - On average, there were 2 or fewer bids received for Minor Construction and Maintenance Services, Major Construction and Service Contracts.
- **Inuit Labour:** For Minor Construction and Maintenance Services Contracts across Nunavut, an average of 35% minimum Inuit labour was required; on average, bidders committed to 51% in their bid documents, and actually achieved 54%. For Major Construction across Nunavut, an average of 26% Inuit labour was required; on average, bidders committed to 34%, and actually achieved 23% Inuit labour. Because multi-year projects are not yet completed, the Average Inuit Labour Achieved for Major Construction is based on the information available to date.
 - The amount of Inuit Labour anticipated is calculated by the amount of Inuit Labour bid, which is an estimate and does not always reflect actual labour expenditures. Based on bid information, it is anticipated that approximately \$147,413.70 in bonuses would be paid out. To date, \$24,582.26 has been paid for actual Inuit labour achievements and \$2,485.61 has been assessed in penalties, but not all projects have been completed.
- **Contracts awarded due to NNI Adjustments:** For Small and Large Contracts (excluding Goods and LCA's and Sole Source Awards), 9% of contracts, and 29% of the value, were awarded due to NNI Adjustments.
 - 30 contracts (out of 324) were awarded due to NNI Adjustments: 57% of awards due to NNI adjustments were to Inuit firms, and 30% to Nunavut.
 - The value of contracts awarded due to NNI adjustments was \$16,703,883.51 (out of \$57,469,308.05 for competitively sourced contracts): 44% of award value due to NNI adjustments were to Inuit, and 26% to Nunavut.
 - Inuit or Nunavut firms won most contracts because of competitive pricing, rather than because of NNI adjustments.
- **Comparison to Previous Fiscal Year:** For contracts awarded by Public Works and Services in fiscal year 2001/2002 compared to fiscal year 2002/2003, the number of contracts and amount of contracts awarded to Inuit increased by 104 contracts equaling \$2,677,581.06. The percentage of contracts to Inuit in fiscal year 2002/2003 was 1% more than the previous year, and the percentage of the value awarded to Inuit firms decreased by 6%.

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REPORT OVERVIEW

This report focuses on the distribution of contracts awarded to companies, individuals, or organizations in three status categories:

- 1) Inuit – listed on the NTI Inuit Firms Registry,
- 2) Nunavut – listed on the GN Nunavut Firms Registry, and
- 3) Other – not registered as an Inuit firm or a Nunavut firm.

For this report, contracts to firms that were on both Inuit Firms and Nunavut Firms registries have been included in the Inuit Category, but not in the Nunavut category. The report also analyzes firms submitting bids or proposals for contracts, and Inuit labour for construction and maintenance contracts. Charts and graphs are used to illustrate the statistics presented.

SECTION 1, All Contracts, includes all types and values of contracts reported. The number and value of contracts for Inuit and Nunavut firms for all contracts is provided. A breakdown of the number of contracts and value of contracts for Goods Contracts, Local Contract Authorities (LCA's), and for all other Contract Types is provided.

SECTION 2, Small Contracts, includes Goods Contracts under \$5,000 and all other Contract Types under \$25,000, and does not include Local Contract Authorities (LCA's). A breakdown of the number and value of Small Contracts to Inuit and Nunavut firms is provided.

SECTION 3, Local Contract Authorities (LCA's), includes only LCA purchases. LCA's are contracts for local purchases not to exceed \$5,000 in value. A breakdown of the number and value of LCA's to Nunavut and Inuit firms is provided.

SECTION 4, Large Contracts - Including Goods, includes Goods contracts with a value of \$5,000 and greater, and all other Contract Types with a value of \$25,000 and greater. A breakdown of the number and value of Large Contracts - Including Goods to Inuit and Nunavut firms is provided.

SECTION 5, Analysis of Large Contracts - Excluding Goods, includes all Contract Types with a value of \$5,000 and greater, and does not include Goods contracts. These Contracts are analyzed by Status and are further analyzed in Sub-section 5.1 by Contract Type, 5.2 by Contracting Method and Sole Source awards, and 5.3 is an analysis of awards to Local businesses.

5.1 Contract Types: This sub-section provides an analysis of Large Contracts - Excluding Goods - by eight Contract Type categories used by the GN: *Air Charters, Architectural/Engineering, Consulting, Major Construction, Minor Construction and Maintenance Services, Leases, Service Contracts, and Other Contract Types*. The number and value for each Contract Type is provided and illustrated by pie charts, and the number and value for each Contract Type to Inuit and Nunavut, is provided and illustrated by graphs.

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REPORT OVERVIEW CONTINUED

5.2 Contract Methods and Sole Source Contracts: This sub-section provides an analysis of Large Contracts - Excluding Goods - by Contracting Method. A breakdown is given by: *Public* or *Invited* requests for submissions (tenders or proposals), and for contracts that were *Sole Source* awards. For sole-source awards, the number of contracts and value to Inuit and Nunavut firms are provided. Sub-section 5.2.1 is a further analysis of Sole Source by Contract Type.

5.3 Awards to Local Businesses: This sub-section provides an analysis of Large Contracts - Excluding Goods - awarded to *Local* Inuit or Nunavut businesses. A breakdown of the number and value of contracts to Local businesses is provided for Inuit and Nunavut firms.

SECTION 6, Analysis of Submissions Received, provides information about the number and status of firms bidding for Small and Large Contracts - Excluding Goods LCA's, and Sole Source awards. The number of bids and the number of bids from Inuit firms for competitive contracting provided for the main Contract Type categories: Architectural/Engineering, Minor Construction and Maintenance Services, Major Construction, Consulting Services, and Service Contracts, and is illustrated in a graph.

SECTION 7, Inuit Labour, provides Inuit labour information for Small and Large value Minor Construction and Maintenance Services, and Major Construction contracts.

7.1 Inuit Labour for Minor Construction and Maintenance Services: This sub-section is an analysis of Inuit labour minimum requirements, Inuit labour shown on bids, and Inuit labour actually achieved for Minor Construction (contracts less than \$100,000), and Maintenance Services contracts.

7.2 Inuit Labour for Major Construction: This sub-section is an analysis of Inuit labour minimum requirements, Inuit labour shown on bids, and Inuit labour actually achieved for Major Construction (contracts \$100,000 and over).

7.3 Inuit Labour Bonuses: This sub-section provides dollar amounts of potential bonuses, based on bid information, and the amount of bonuses paid to date. The distribution of bonuses paid is shown for the 3 Regions.

SECTION 8, Contracts Awarded due to NNI Adjustments: This section provides information about contracts where the NNI adjustments resulted in the company being awarded the contract, when the company would not have won the contract without the adjustment. The number and dollar value of contracts won due to NNI adjustments are provided for Inuit and Nunavut businesses.

SECTION 9, Comparison to Previous Year: This section compares the number and dollar value of Public Works and Services contracts from fiscal year 2002/2003 to Public Works and Service contracts from previous years.

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SECTION 1 - ALL CONTRACTS

Section 1, All Contracts includes all contracts awarded: Goods Contracts, LCA's, and all other Contract Types.

All Contracts - by Status Category

Note: Inuit firm and Nunavut firm Status

For this Section, and all subsequent sections of this report, 3 Status categories are used:

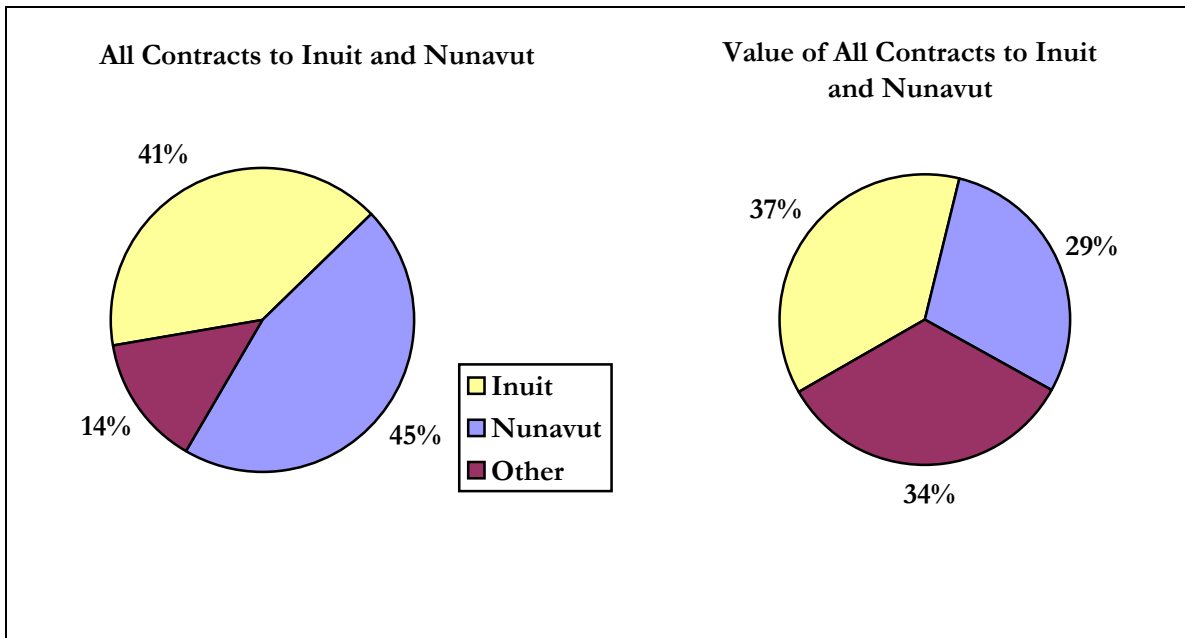
- Inuit – listed on the NTI Inuit firms Registry,
- Nunavut – listed on the GN Nunavut Firms Registry, and
- Other – not registered.

- For this report, those companies that were both Inuit and Nunavut registered, are included in the 'Inuit' category, but not in the 'Nunavut' category.

- 'Other' includes Hamlets, Housing Associations, and Inuit Organizations, and Nunavut Arctic College, as well as individuals and/or businesses that are not registered as Inuit or Nunavut firms; 'Other' also includes businesses located in the NWT and southern Canada.

The pie charts below illustrate the number of contracts reported, and the total value of contracts to Inuit, Nunavut and Other.

- There were a total of 11,181 contracts awarded: 4,549 to Inuit (41%), 5,086 to Nunavut (45%), and 1,546 to Other (14%).
- The total value for all contracts was: \$87,219,406.74: \$32,400,341.66 to Inuit (37%), \$25,539,755.82 to Nunavut (29%), and \$29,279,309.26 to Other (34%).



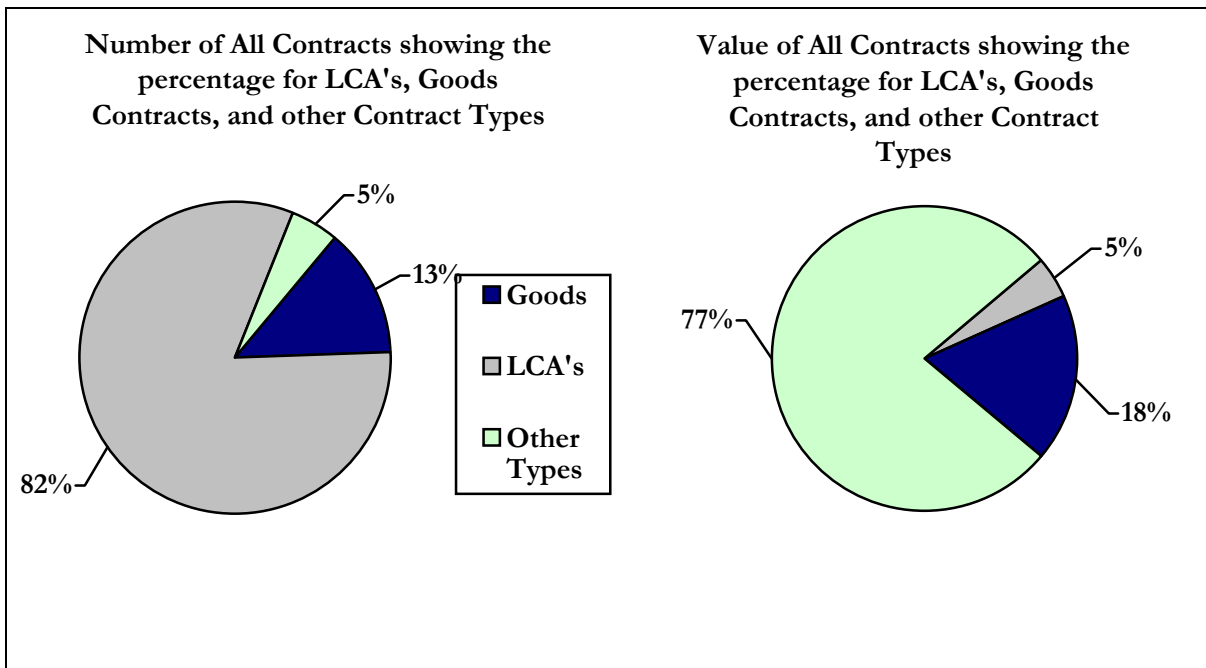
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SECTION 1 - ALL CONTRACTS CONTINUED

All Contracts - Breakdown for Goods, LCA's, and all other Contract Types

The pie charts below illustrate the number and value of contracts for Goods Contracts, LCA's, and all other Contract Types.

- A total of 11,181 contracts were awarded: 1,502 were Goods Contracts (13%), 9,113 were LCA's (82%), and 566 were for all other Contract Types (5%).
- The total value for contracts awarded was \$87,219,406.74: \$15,501,963.43 for Goods Contracts (18%), \$3,961,791.51 for LCA's (5%), and \$67,755,651.80 for all other Contract Types (77%).
- Section 3 of this report provides more information for LCA's, and Section 5 focuses on Large Value Contracts excluding Goods Contracts and LCA's.



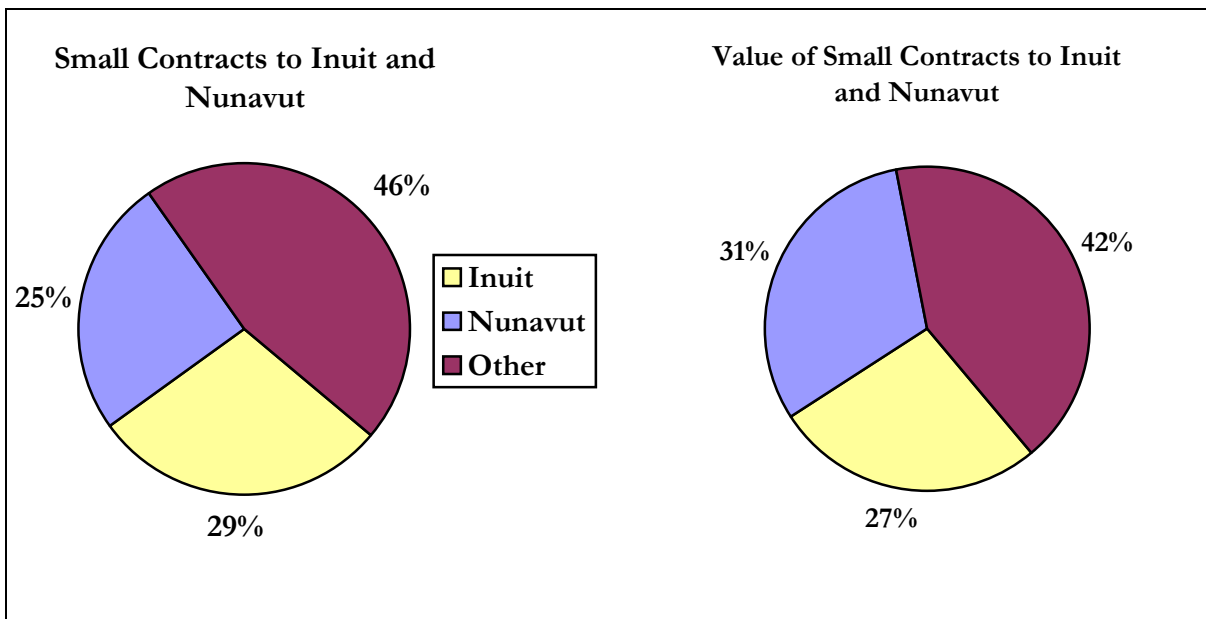
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SECTION 2 - SMALL CONTRACTS

Section 2, Small Contracts includes all Goods Contracts under \$5,000, and all other Contracts Types under \$25,000 and does not include LCA's.

The pie charts below illustrate the number of Small Contracts reported, and the total value of Small Contracts to Inuit, Nunavut and Other.

- There were 1,321 Small Contracts reported: 380 to Inuit (29%), 334 to Nunavut (25%), and 607 to Other (46%).
- The Small Contracts totaled \$5,216,255.89 in value: \$1,405,583.21 to Inuit (27%); \$1,620,088.20 to Nunavut (31%), and \$2,190,584.48 to Other (42%).



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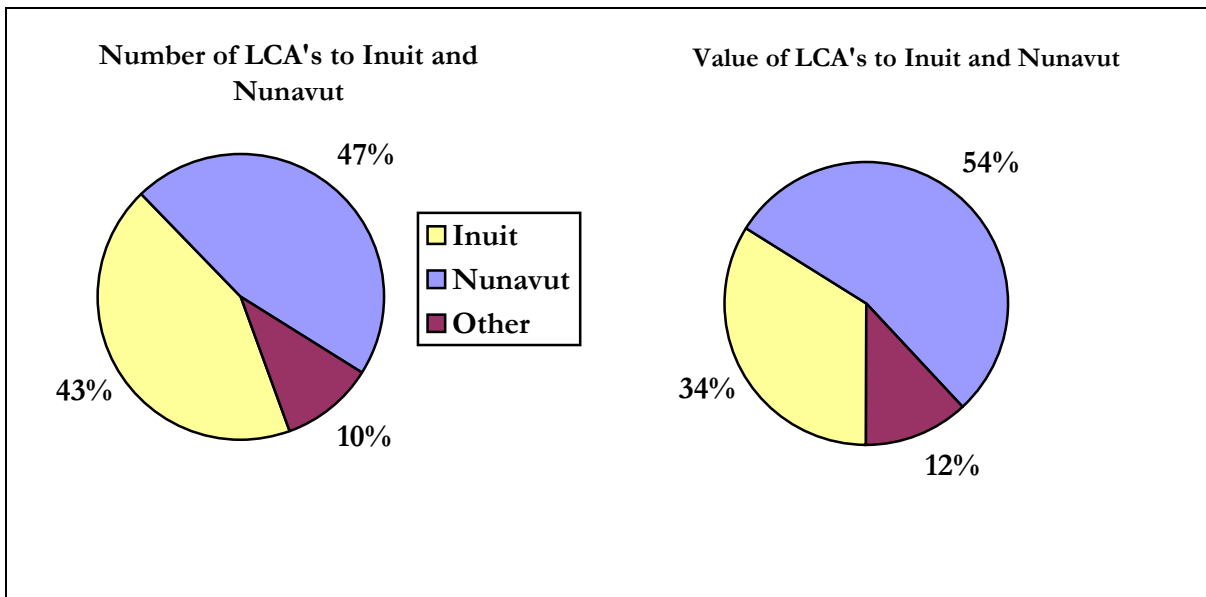
SECTION 3 - LOCAL CONTRACT AUTHORITIES (LCA'S)

Section 3, Local Contract Authorities (LCA's) are contracts which are used by the GN for local purchases not exceeding \$5,000 in value. Because of the small value of these contracts, the GN Regulations do not require a formal competitive bidding procedure for these contracts, although informal requests for pricing are required if over \$1,000.

The pie charts below illustrate the number of LCA's, and the total value of LCA's to Inuit, Nunavut and Other.

- There were 9,113 LCA's: 3,948 to Inuit (43%), 4,213 to Nunavut (47%), and 952 to Other (10%).
- The total value of LCA's was \$3,961,791.51; \$1,341,637.46 awarded to Inuit (34%); \$2,147,766.30 to Nunavut (54%); and \$472,387.75 to Other (12%).

Note: Almost all LCA purchases for the 'Other' status category were for Inuit or Nunavut companies, individuals, or organizations that were not registered with either NTI or the GN.



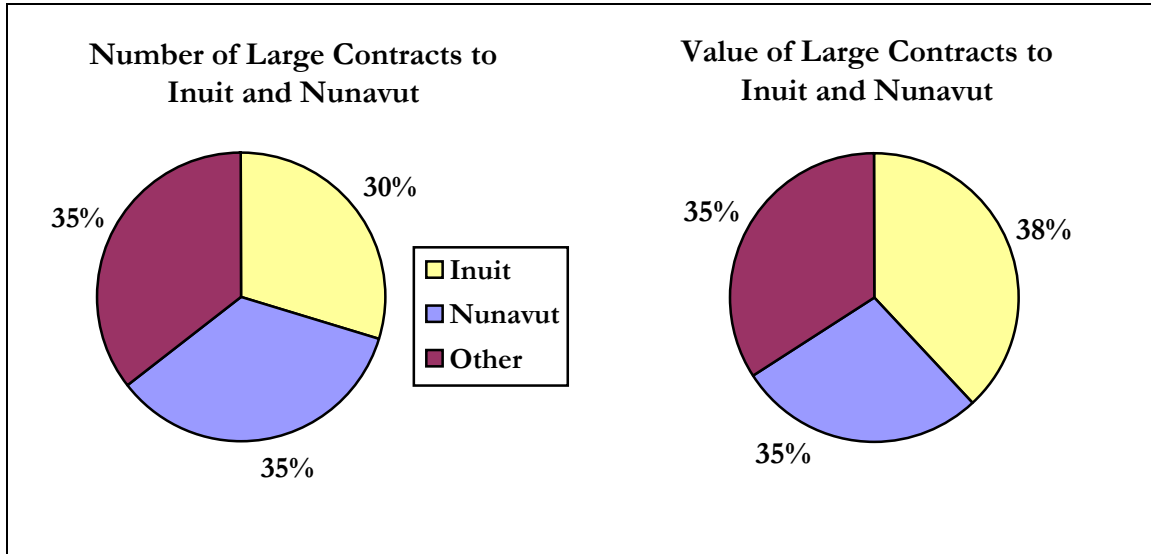
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SECTION 4 - LARGE CONTRACTS - INCLUDING GOODS

Section 4, Large Contracts includes of all Goods Contracts of \$5,000 and greater, and all other Contracts of \$25,000 and greater.

- There were 747 Large Contracts: 260 to Inuit (30%), 260 to Nunavut (35%), and 266 to Other (35%).
- The Large Contracts amounted to \$78,041,359.34: \$ 29,653,120.99 to Inuit (38%), \$21,771,901.32 to Nunavut (28%), and \$26,616,337.03 to Other (35%).

Note: Because of the very high value of some large Major Construction contracts, one contract award can make a significant difference in the percentage of dollars to Inuit firms compared to Nunavut firms.



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SECTION 5 - ANALYSIS OF LARGE CONTRACTS – EXCLUDING GOODS

Section 5 analyzes Large Contracts (\$25,000 and greater) and does not include Goods Contracts, or LCA's. There were 234 Large Contracts excluding goods, and the total value for these contracts was \$64,399,614.06.

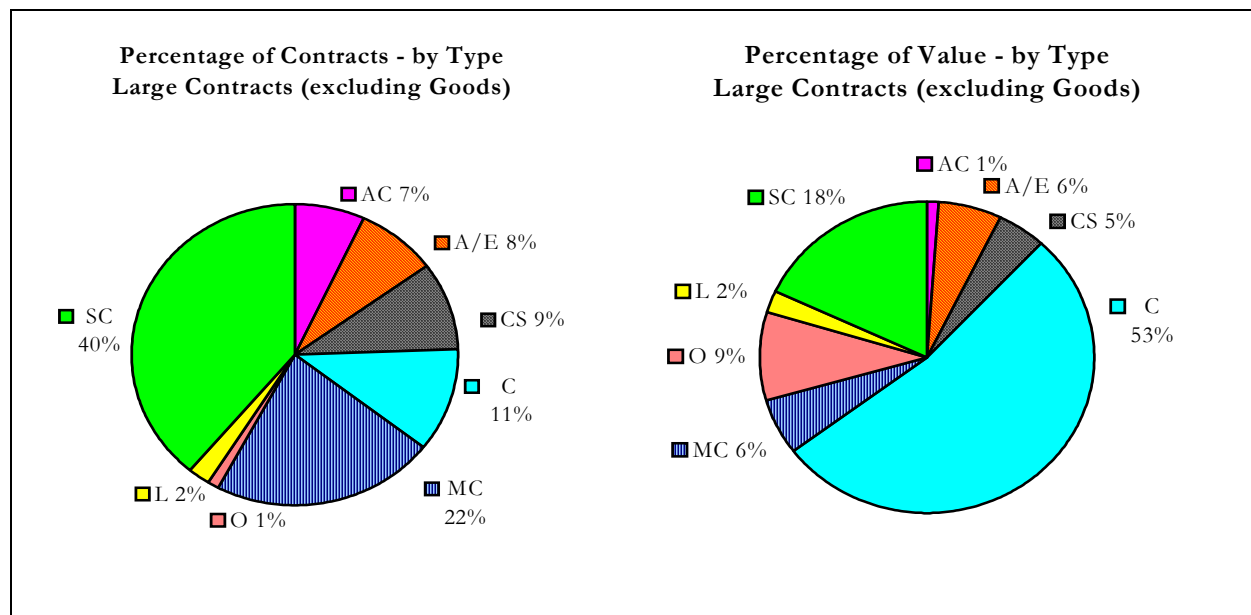
- 26% of contracts and 39% of dollars to Inuit, and 31% of contracts and 29% of value to Nunavut

5.1 - CONTRACT TYPES (Large Contracts - Excluding Goods)

This sub-section analyzes contracts by Contract Type. There are 8 Contract Types. These were the number and dollar values for Large Contracts (\$25,000 and over), excluding Goods, for each type. The following information is illustrated on pie charts below.

	<u>Contract Type</u>	<u>Number of Contracts</u>	<u>Value of Contracts</u>
AC	Air Charter:	16	\$687,911.79
A/E	Architectural/Engineering:	19	\$3,893,537.50
CS	Consulting Services:	22	\$3,093,339.00
C	Major Construction (\$100,000 +):	26	\$34,009,829.83
MC	Minor Construction or Maintenance:	52	\$3,666,304.66
O	Other types:	3	\$6,000,629.95
L	Leases for Real Property:	5	\$1,452,878.60
SC	Service Contracts:	91	\$11,595,182.73
	Total	234	\$64,399,614.06

- 59% of Large Contracts were for: CS, C, MC and SC Contract Types.
- 76% of Large Contract dollars were expended for CS, C and SC Contract Types.



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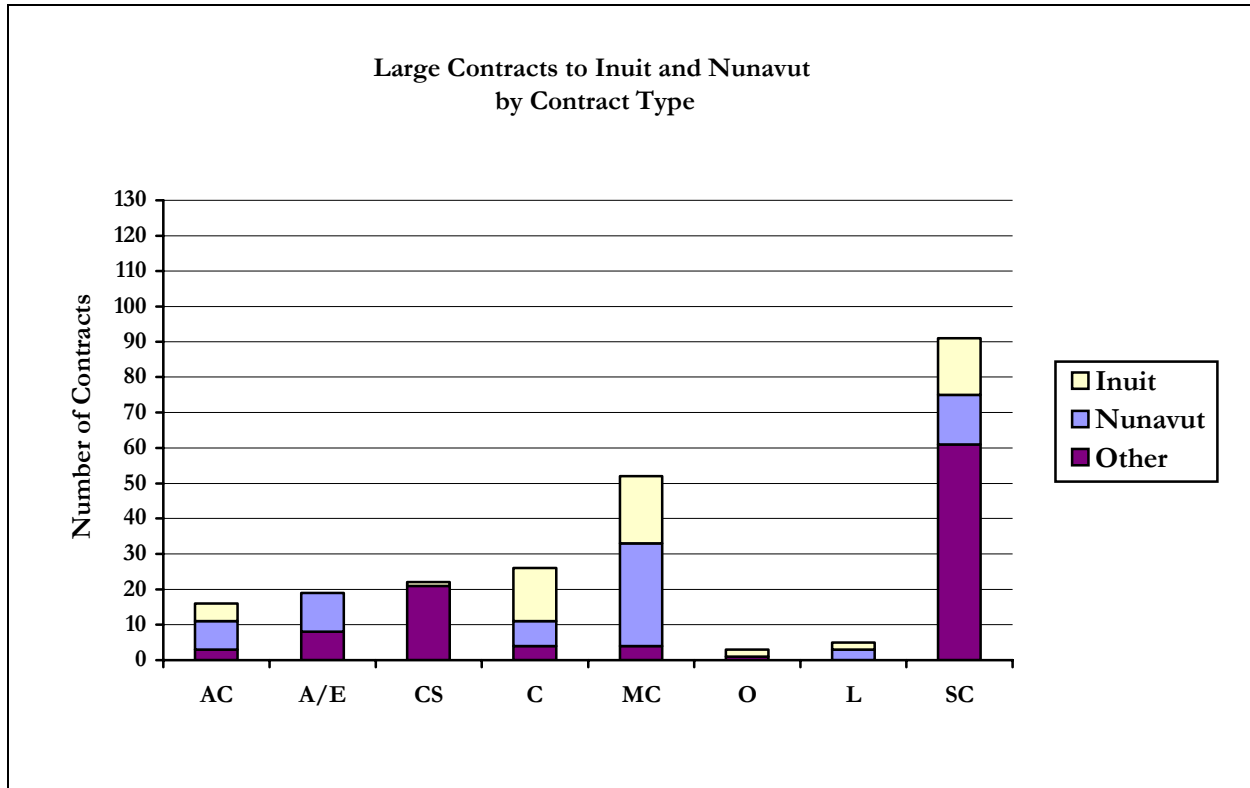
5.1 - CONTRACT TYPES (Large Contracts - Excluding Goods) Continued

Analysis by Number of Contracts

The graph and percentages below indicate the number of Large Contracts (\$25,000 and over), excluding goods, in the 8 Contract Type categories awarded to Inuit and Nunavut. The following are percentages of the Contract Type, awarded to Inuit and Nunavut, within the categories:

- AC Air Charter: 31% of contracts were to Inuit firms, 50% were to Nunavut firms.
- A/E Architectural/Engineering: no contracts to Inuit, 58% were to Nunavut.
- CS Consulting Services: 5% of contracts were to Inuit, no contracts to Nunavut.
- C Major Construction (\$100,000 +): 58% of contracts were to Inuit, 27% to Nunavut.
- MC Minor Construction or Maintenance: 37% of contracts were to Inuit, 56% to Nunavut.
- O Other types: 67% of contracts were to Inuit, no contracts to Nunavut.
- L Leases for Real Property: 40% of the contracts were to Inuit, 60% to Nunavut.
- SC Service Contracts: 18% of the contracts were to Inuit, 15% to Nunavut.

Note: This report covers GN Departments only, and does not include Housing Corporation.



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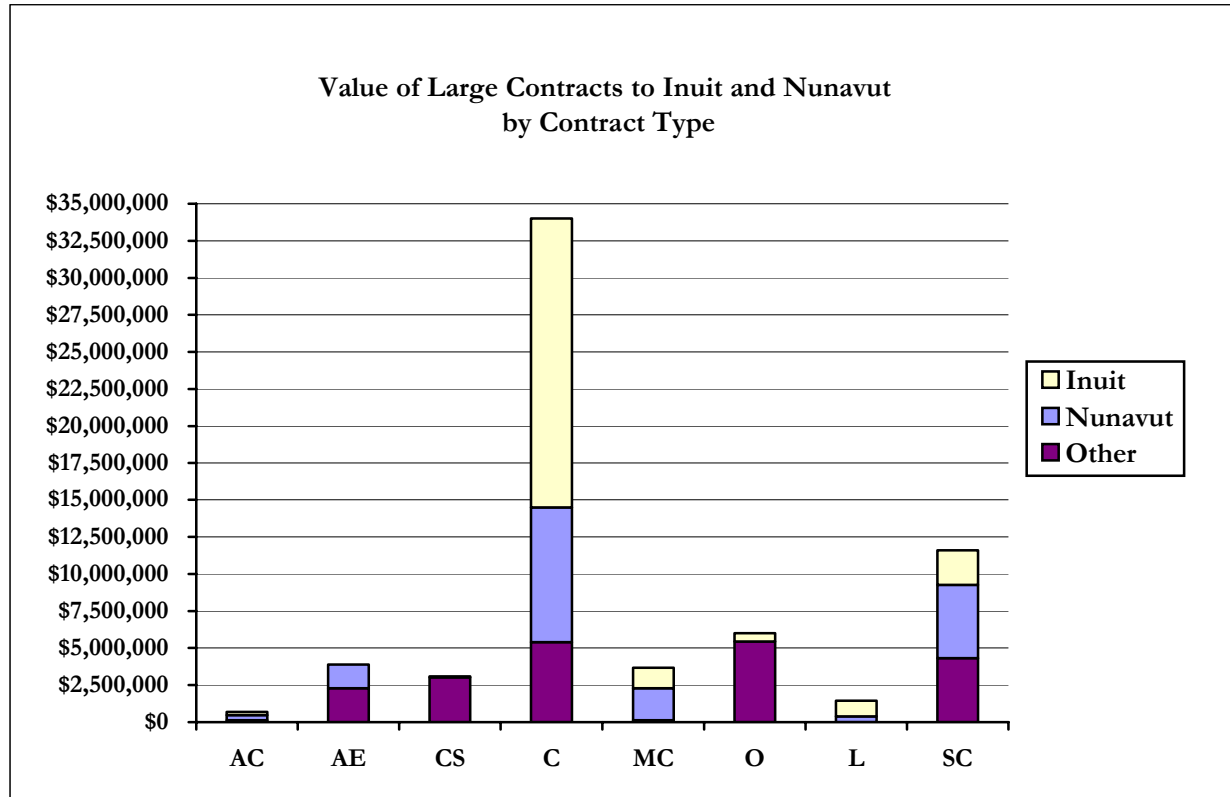
5.1 - CONTRACT TYPES (Large Contracts - Excluding Goods) Continued

Analysis by Value of Contracts

The graph and percentages below indicate the dollar value of Large Contracts (\$25,000 and over), excluding goods, in the 8 Contract Type categories to Inuit and Nunavut. The following are percentages of the dollar value of contracts to Inuit and Nunavut within the categories:

- AC Air Charters: 30% of total contract value to Inuit firms, and 51% to Nunavut firms.
- A/E Architectural/Engineering: none to Inuit firms, and 41% to Nunavut firms.
- CS Consulting Services: 2% of the value to Inuit firms, and none to Nunavut firms.
- C Major Construction (\$100,000 +): 57% of the value to Inuit, and 27% to Nunavut.
- MC Minor Construction or Maintenance: 37% of the value to Inuit, and 59% to Nunavut.
- O Other types: 9% of the value to Inuit firms, and none to Nunavut firms.
- L Leases for Real Property: 73% of the value to Inuit, and 26% to Nunavut.
- SC Service Contracts: 20% of the value to Inuit, and 45% to Nunavut.

Note: This report covers GN Departments only, and does not include Nunavut Housing Corporation.



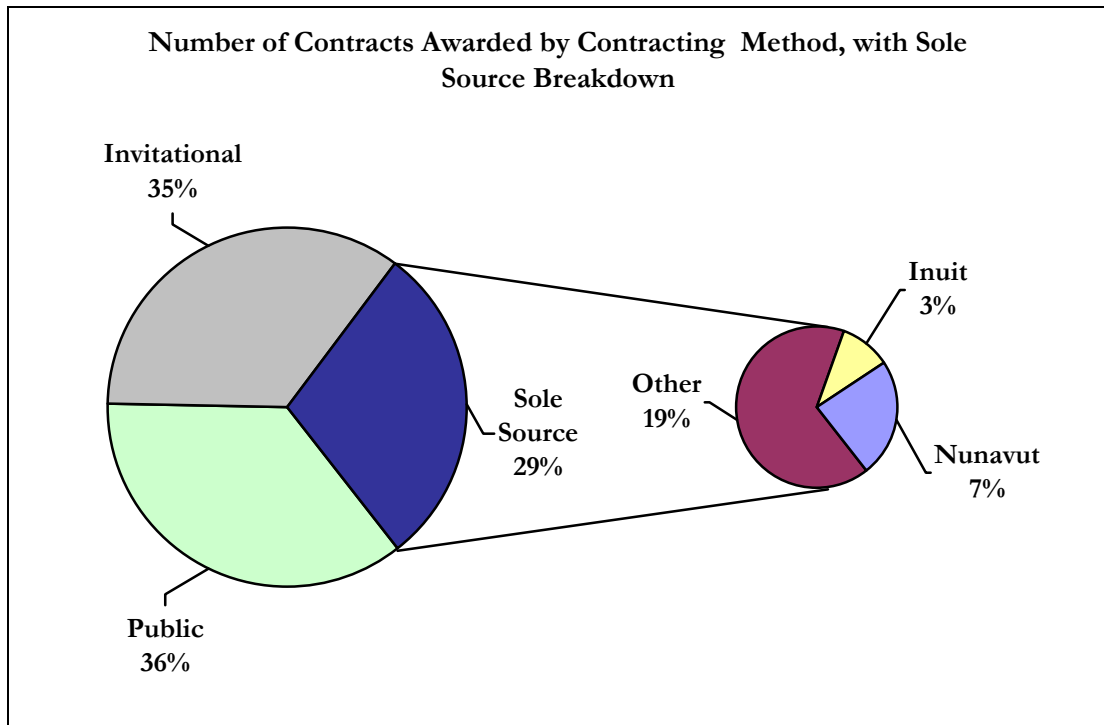
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5.2 - CONTRACTING METHODS (LARGE CONTRACTS - EXCLUDING GOODS)

This sub-section provides an analysis of Large Contracts (\$25,000 and greater), excluding Goods, by the Contracting Method. Contracts are entered into as a result of a competitive Request for Tenders, Requests for Proposals, or are Sole Source Awards. Requests for Tenders or Proposals can be publicly advertised, or bids/proposals can be invited.

Analysis by Number of Contracts Awarded

- Of a total of 234 Large Contracts (excluding Goods), 76 Contracts were the result of Public or Invitational requests for tenders or proposals (32%), and 68 were Sole Source Contract awards (29%). This is illustrated on the larger pie chart below.
- ◆ Out of the 68 Sole Source awards (29% of Large Contracts), 7 were contracts to Inuit (3% of Large Contracts), and 16 were to Nunavut firms (7% of Large Contracts). This is illustrated on the smaller pie chart below.

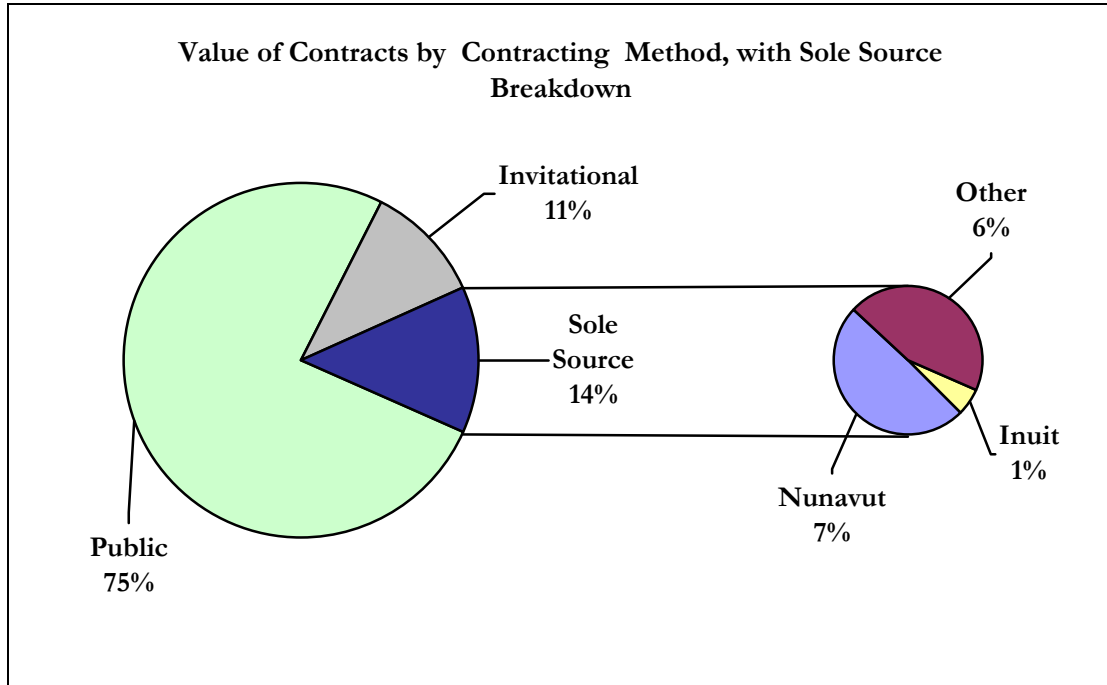


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5.2 - CONTRACTING METHOD (LARGE CONTRACTS - EXCLUDING GOODS)
CONTINUED

Analysis by Value of Contracts Awarded

- Of a total contract value of \$64,399,614.06 for Large Contracts (excluding Goods) \$17,160,539.52 resulted from Public or Invitational requests for tenders or proposals (27%) and \$8,664,147.74 resulted from Sole Source awards (13%). This is illustrated on the larger pie chart below.
- Out of the \$,664,148.74 value for Sole Source awards, \$505,220.08 of the value went to Inuit (1% of Large Contracts), and \$4,293,274.46 went to Nunavut firms (7% of all Large Contracts), and \$3,865,654.20 went to Other (6% of Large Contracts). This is illustrated on the smaller pie chart below.



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**5.2.1 FURTHER ANALYSIS OF SOLE SOURCE CONTRACTS - BY CONTRACT TYPE
(LARGE CONTRACTS - EXCLUDING GOODS)**

Of a total contract value of \$64,399,614.06 for Large Contracts (excluding Goods), \$8,664,148.74 resulted from Sole Source awards (14%). This is illustrated on the larger pie chart on the previous page.

- Out of the total value of \$8,664,148.74 (68 contracts), for Large Contracts (excluding Goods) that were Sole Source awards, \$3,865,654.20 (45 contracts) went to Other businesses (those not registered as Inuit or Nunavut firms).
 - ◆ 99% of the dollar value to Other (non-registered) for Large Sole Source Contracts were for two Contract Types: Consulting Services, and Service Contracts. These are the dollar values and the percent of the value of Sole Source Contracts to Other businesses for these two Contract Types:
 - Consulting Services: 100% of value of Sole Sources to Other (14 contracts, \$2,147,752.00 value),
 - Service Contracts: 31% of value of Sole Sources to Other (30 contracts, \$1,692,902.20 value),
 - All other types of contracts: (reference page 13) make up the remaining 1% of value of Sole Sources to Other (1 contract, \$25,000.00 value).

Criteria for a Sole Source contract: Government of Nunavut Contract Regulations under the Financial Administration Act, allow Sole-Sourcing of contracts if one of the following conditions is applicable:

"where a contract authority believes, on reasonable grounds, that

(a) the goods, services or construction are urgently required and delay would be injurious to the public interest;

(b) only one party is available and capable of performing the contract; or

(c) the contract is an architectural or engineering contract that will not exceed \$25,000 or any other type of contract that will not exceed \$1,000 in value."

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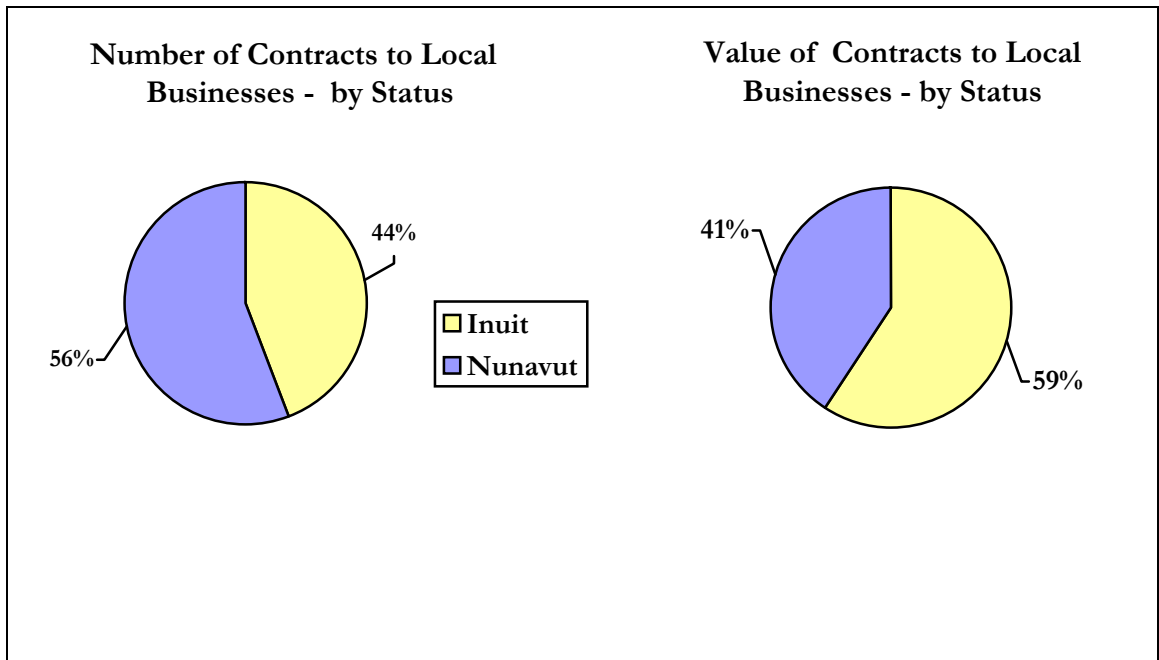
5.3 AWARDS TO LOCAL BUSINESSES (LARGE CONTRACTS - EXCLUDING GOODS)

Local Contracts are contracts that were awarded to an Inuit or Nunavut firm that is based in the same community where the work is required. A business must be on the NTI Inuit Firms Listing or the GN Nunavut registry to be considered Local and eligible for the additional Local bid adjustment under the NNI Policy.

Note: Hamlets, Housing Authorities, and Inuit organizations are not Local under the NNI Policy because they are not businesses registered with NTI as Inuit firms, or with the GN as Nunavut firms.

The charts and statistics below are based upon Large Contracts (\$25,000 and greater) - excluding Goods.

- Of 234 Large Contracts, there were 59 contracts to Local Businesses (25%).
 - ◆ Of the 59 Local contracts, 26 were to Inuit firms (44%), and 33 were to Nunavut Firms (56%).
- Of \$64,399,614.06 for Large Contracts, the total dollar value awarded to Local businesses was \$8,956,450.24 (14%).
 - ◆ Of the \$8,956,450.24 for Local Contracts, \$5,290,107.08 went to Inuit Firms (59%) of and \$3,666,343.16 went to Nunavut Firms (41%).

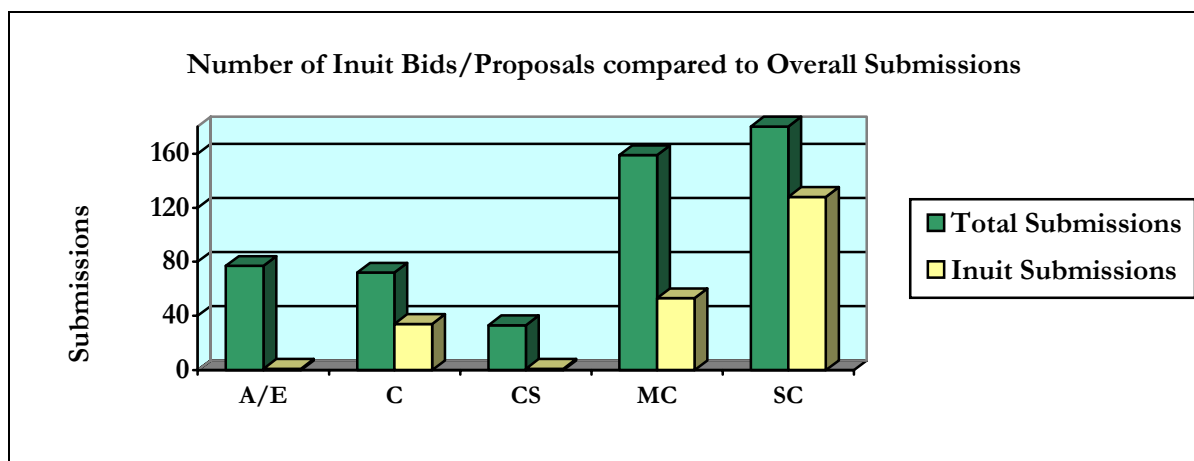


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SECTION 6 - ANALYSIS OF SUBMISSIONS RECEIVED

This section is an analysis of the number of submissions (bids or proposals) received for Small and Large Contracts - excluding Goods and LCA's. Sole Source contracts are excluded from this analysis.

The information and chart below is a snapshot of a few Contract Types to give an indication of the number of submissions from Inuit firms, compared to the total number of submissions received in response to Requests for Tenders or Proposals.



Number of Inuit Firms Bidding and Winning Contracts (excluding Sole Source)

- **A/E - Architectural/Engineering services:** For 19 contracts, there were 77 submissions. 1 was received from Inuit firms.
- **C - Major Construction (contracts of \$100,000 value or greater):** For 23 contracts, there were 72 submissions; 34 were from Inuit Firms (47% of the bids). Inuit firms won 65% of these contracts.
- **CS - Consulting Services:** For 12 contracts, there were 33 submissions; 1 was from Inuit Firms (3% of the bids). Inuit firms won 1 of these contracts (8%).
- **MC - Minor Construction (less than \$100,000) and Maintenance Services:** For 80 contracts, there were a total of 159 bids received; 53 were from Inuit Firms (33% of the bids). Inuit firms won 36% of these contracts.
- **SC - Service Contracts:** For 118 contracts, there were 384 bids received: 53 from Inuit firms (33% of the bids). Inuit firms won 36% of these contracts.

Average Number of Submissions

- On average, for competitive requests for submissions, 4 were received for each A/E contract, 3 for each C contract, 2 for each MC contract, 3 for each CS contract, and 8 for each SC.

Note: For a competitive bidding process, 3 bids are generally considered the minimum to ensure good value and fair competition.

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SECTION 7 - INUIT LABOUR

7.1 - MINOR CONSTRUCTION AND MAINTENANCE SERVICES CONTRACTS

The information in this sub-section is based on all Minor Construction (less than \$100,000) and Maintenance Services contracts where information has been reported to PW&S Contracts and Procurement. (This report does not include Housing Corporation.)

This table gives the average percentages across Nunavut and by Region.

REGION	AVERAGE % OF INUIT LABOUR REQUIRED	AVERAGE % OF INUIT LABOUR BID	AVERAGE % OF INUIT LABOUR ACHIEVED
Across Nunavut	35%	51%	54%
Baffin	25%	37%	42%
Kitikmeot	32%	50%	47%
Kivalliq	44%	63%	62%

Note: The percentages for average Inuit Labour Achieved are based on the portion of contracts where this information was available, which is a smaller number of contracts than were used to calculate the average Inuit Labour Required, and the average Inuit Labour Bid.

The Average % of Inuit Labour Achieved for contracts awarded in year 2002-2003 will be updated when more complete information is available, and included in the year 2003-2004 GN Contract Data Report.

Update: As an update to the information for contracts awarded in fiscal year 2001/2002 for Minor Construction and Maintenance Services contracts, the average percentage for Inuit Labour Achieved was 65% across Nunavut, and the average achieved for Regions was: 35% for Baffin, and 78% for Kivalliq.

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7.2 - ANALYSIS OF INUIT LABOUR FOR MAJOR CONSTRUCTION CONTRACTS

The information in this sub-section is based on all Major Construction (\$100,000 and over) contracts. (This report does not include Housing Corporation.)

This table gives the average percentages across Nunavut and by Region:

REGION	AVERAGE % OF INUIT LABOUR REQUIRED	AVERAGE % OF INUIT LABOUR BID	AVERAGE % OF INUIT LABOUR ACHIEVED
Across Nunavut	26%	34%	23%
Baffin	28%	28%	30%
Kitikmeot	21%	41%	20%
Kivalliq	35%	33%	Incomplete

Note: Not all Inuit labour information has been reported to date, and for the Inuit Labour achieved this is particularly so. Many multi-year construction contracts have not yet been completed, so the Inuit labour achieved is not yet known. For the Kivalliq Region, all contracts are multi-year and are not yet completed.

The percentages for Inuit Labour Achieved are based on the portion of contracts where this information was available, which is a smaller number of contracts than were used to calculate the average Inuit Labour Bid and the Inuit Labour Required.

The Average % of Inuit Labour Achieved for contracts awarded in year 2002-2003 will be updated when more complete information is available, and included in the year 2003-2004 GN Contract Data Report.

Update: As an update to the information for contracts awarded in fiscal year 2001/2002 for Major Construction contracts, the average percentage for Inuit labour achieved was 34% across Nunavut, and the average achieved for Regions was: 77% for Baffin, and 23% for Kitikmeot.

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7.3 - ANALYSIS OF INUIT LABOUR BONUSES

This information is based on Minor Construction and Maintenance Services and Major Construction Contracts. (This report does not include Housing Corporation.) Inuit labour bonuses are paid when the percentage of dollars for Inuit Labour Achieved (compared to total labour), exceeds the minimum percentage of Inuit labour Required. Inuit labour penalties are assessed if the percentage of Inuit labour Achieved is less than the minimum Inuit Labour Required.

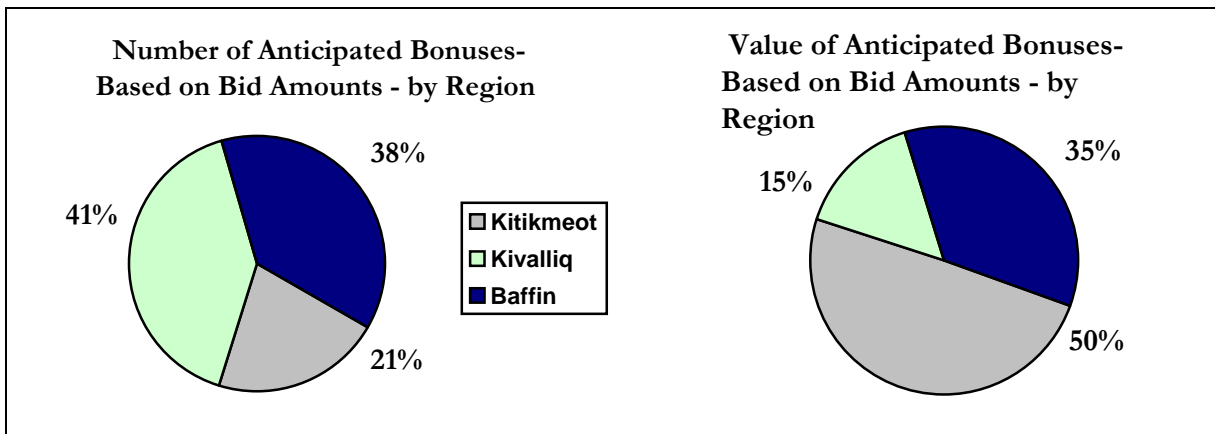
Note: Bonuses or Penalties are calculated as follows:

1. The Inuit Labour % Required is subtracted from the Inuit Labour % Achieved to find the % by which the Contractor exceeded, or did not meet, the minimum % Required (% difference);
2. The % difference is multiplied by the Total Labour dollars expended;
3. The result is multiplied by 1/3.

Example: Inuit labour % Achieved is 35%, Inuit labour % Required is 25%, Total Labour is \$100,000:

1. The % difference is 10% (35-25);
2. Total Labour dollars of \$100,000 x 10% = \$10,000.00;
3. 10,000.00 x 1/3 = \$3,330.00 Bonus (or penalty if Inuit Labour % Achieved is 15%).

- Based on bid information, for contracts awarded in fiscal year 2002/2003, total anticipated bonus payments would be \$14,741,369.93. The pie chart below illustrates the distribution of anticipated bonus payments among the 3 Regions.



- Bonuses paid and penalties assessed are based on actual Inuit labour achieved, calculated at the completion of the project. To date, for contracts awarded in fiscal year 2002/2003, \$24,582.56 has been paid in bonuses for exceeding Inuit Labour Requirements, and \$2,485.61 has been assessed in penalties, however multi-year projects have not yet been completed and accounted for.

Note: The Bonus/Penalty information for contracts awarded in year 2002-2003 will be updated when contracts are complete, and included in the year 2003-2004 GN Contract Data Report.

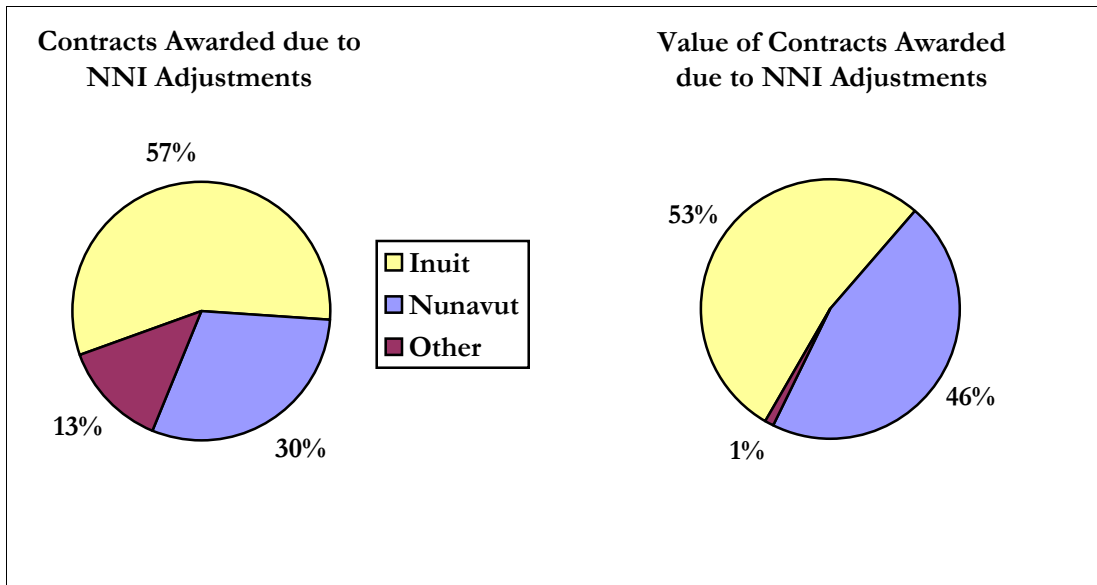
Update: As an update to information for contracts awarded in fiscal year 2001/2002, \$148,386.77 was paid in bonuses and \$10,459.35 was assessed in penalties.

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SECTION 8 - CONTRACTS AWARDED DUE TO NNI ADJUSTMENTS

This information is based on all Small and Large Contracts. This analysis does not include Goods, LCA's, or Sole Source awards. NNI Adjustments are applied to determine the low bidder or the best-value proposal that will be awarded a contract. A contract awarded "due to NNI Adjustments" is a contract that would have been awarded to another company, but the application of NNI adjustments changed which contract had the lowest price tender, or the best-value proposal.

- Out of 324 competitively awarded contracts, 30 were awarded due to NNI adjustments (9%).
 - ◆ Out of these 30 contracts, 17 were to Inuit firms (57%), 9 to Nunavut firms (30%) and 4 (13%) to Other.
- Out of \$57,469,308.05 dollars for competitively awarded contracts, \$16,703,883.51 was for contracts awarded due to NNI adjustments (29%).
 - ◆ Out of the \$16,703,883.51, \$8,843,713.00 of the value went to Inuit firms (53%), and \$-7,657,926.76 to Nunavut firms (46%).
- Most competitively awarded contracts (51% of contracts, and 70% of the value) went to Inuit and Nunavut firms because of competitive pricing or good value proposals, rather than because of NNI adjustments.



Note: Non-registered (Other) firms can receive a partial NNI adjustment based on Inuit and Nunavut Content (using Inuit and Nunavut Labour and/or Inuit and Nunavut Subcontractors).

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SECTION 9 - COMPARISON TO PREVIOUS YEAR

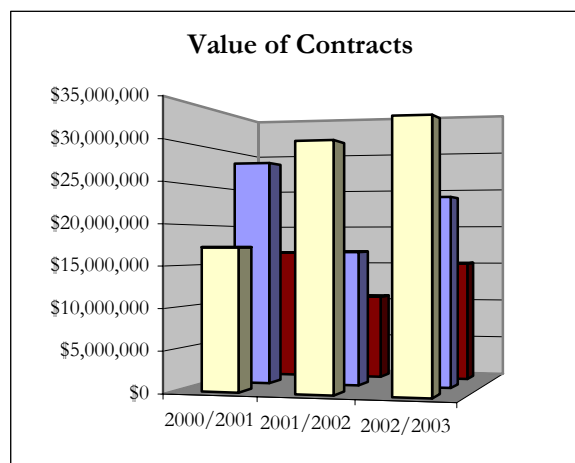
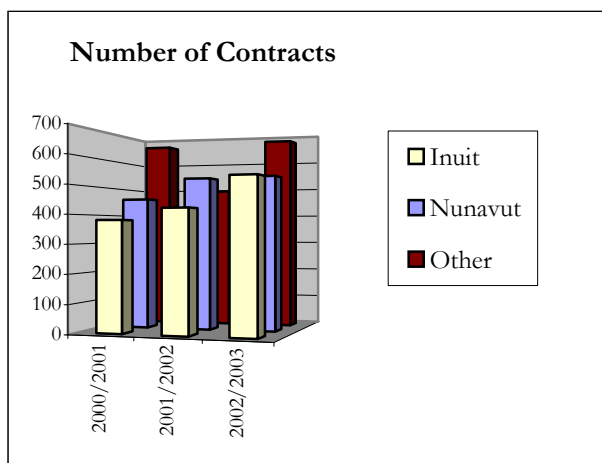
This Section compares contracts awarded in fiscal year 2002/2003 to contracts awarded in previous fiscal years. The comparison is for the following types of contracts that were awarded by Public Works and Services (PW&S):

- Goods Contracts by PW&S Contracts & Procurement Purchasing Section for all Departments,
- Minor Construction and Maintenance Services Contracts (MC),
- Major Construction (C),
- Architectural and Engineering Services (A/E),
- Service Contracts awarded by PW&S.

The information in this table is presented in the graphs below and the previous fiscal years are also illustrated in the graph that follows.

Based on Number of Contracts						
Status	2001 /2002	%of Total	2002/2003	%of Total	Increase: Number and % of Total Number	
Inuit	421	29	525	30	+104	+1%
Nunavut	528	37	532	31	+4	-6%
Other	490	34	671	39	+181	+5%
Total	1439	100%	1728	100%		

Based on Value of Contracts						
Status	2001/2002	% of Total	2002 /2003	%of Total	Increase: Value	% of Total
Inuit	\$29,707,236.44	52%	\$32,384,817.50	46%	+ \$ 2,677,581.06	-6%
Nunavut	\$16,624,337.57	29%	\$23,375,963.77	33%	+ \$ 6,751,626.20	+ 4%
Other	\$ 10,614,265.21	19%	\$15,074,040.28	21%	+ \$ 4,459,775.07	+ 2 %
Total	\$56,945,839.22		\$70,834,821.55			



- The number of contracts, and value of contracts to Inuit increased in fiscal year 2002/2003.
- The percentage of contracts to Inuit increased by 1%, and the value decreased by 6% in comparison to the overall value of awarded to Inuit firms in 01/02.

Note: Because of the very large value of some Major Construction contracts, one contract award can make a significant difference in the percentage of dollars to Inuit firms compared to Nunavut firms.