



Table of Contents

Purpose.....	2
Objective.....	5
Introduction.....	5
Report Overview.....	5
Summary.....	8
1. All Contracts.....	8
2. Contracting Types.....	14
3. Contracting Methods.....	32
4. Contracts to Local Business.....	46
5. Submissions Received.....	50
6. Inuit Labour.....	53
7. NNI Adjustments.....	56
8. Comparison to Prior Year.....	58
Appendices	
Appendix A: Glossary and Definition of Terms.....	60

GOVERNMENT OF NUNAVUT

Contract Activity Report

Purpose

The purpose of this document is to support the integrity and transparency in Government of Nunavut (GN) Contracting and Procurement Practices through annual reporting.

General Observations

The following is a brief synopsis of the statistical analysis for the fiscal year 2007/08.

- Statistically we now have 3 years of data that is comparable in that we have gathered the same data.
- The total value of contracts awarded by the GN is up by 40% from 2006/07 to 2007/08.
- The number of contracts awarded is up by 37% from 2006/07 to 2007/08.
- The combined value of contracts awarded to Inuit and Nunavut firms has remained consistent at 75 million while contracts to “Other” firms have increased by \$55,438,000 or 89%.
- As the total value of contracts grows (40%) the value of contracts to 'Other' is growing at an increasing rate. In 2007/08, Inuit and Nunavut firms are winning a decreasing proportionate share of the value of contracts awarded.
- The number of contracts awarded to Inuit Firms, as a percentage of the total number of contracts awarded has decreased by 2%
- The number of contracts awarded to Nunavut firms, as a percentage of the total number of contracts awarded has increased by 2%
- It should be noted that many companies have both an Inuit status and a Nunavut status. For the purposes of this report, companies with this shared status are classified as Inuit.
- As the volume of contracts has grown by 37% , it is interesting to note that, the volume of contracts awarded to “Other” firms also grew by 37% in comparison. The volume to combined Inuit and Nunavut grew by 37%.
- 50% of the volume of contracts awarded in 07/08 are less than \$25,000. Inuit Firms won 45% of these contracts and 48% went to 'Other'. The remaining 7% went to Nunavut.
- The 2007/08 statistics continue to show that Inuit and Nunavut firms are more successful at winning contracts in the under \$25,000 value threshold. As the value of the contracts increase, Inuit and Nunavut firms tend to win a lower percentage of the contracts. This is largely due to the fact that the Procurement Policies of the GN specify that goods and services purchases with a value less than \$25,000 are sourced locally, within Nunavut, where there are 3 or more vendors able to bid and provide the good or service.
- Inuit and Nunavut firms (especially Inuit firms) win a greater percentage share of contracts when goods are included in the contracting statistics. Inuit and Nunavut firms are able to compete better for goods contracts rather than service contracts.

- The number of Inuit Firms responding to Tender and RFP calls for Air Charters and Consulting Services has increased by 16% and 17% respectively. This indicates an increase in participation by Inuit firms in these areas. Bids from Inuit Firms for Major Works Construction and Architectural/Engineering fell slightly. Bids from Inuit Firms for Minor Works Construction and Maintenance Services fell by 5%; a contract type that traditionally sees a high level of participation by Inuit Firms.
- In comparing the value of contracts awarded in 2006/07 and 2007/08, the ratio of contracts awarded to Nunavut firms grew by 2% of the total value and contracts awarded to Inuit firms decreased by 18%. Contracts to Other firms grew by 16%.
- Contractors continue to achieve and exceed the minimum Inuit Labour requirements in construction and maintenance contracts of small and large values (MC & CON). On average, each Region exceeds the minimum requirement by 32% for Minor Works. For Major Works, for the 05/06 and 06/07 fiscal years, where most contracts are now completed, contractors in the Baffin Region struggled to achieve the requirements. The Kitikmeot & Kivalliq regions seem to fare better.
- The number of contracts that have been awarded due to the NNI Bid Adjustments has increased by 27% when comparing 2006/07 and 2007/08 and by 47% from 05/06 fiscal year. This would suggest that Inuit and Nunavut firms are having to become more competitive and are able to win more contracts without the benefit of the bid adjustments.

Exceptions

- The statistical numbers in this report do not include two(2) large categories of contracts. These are:
 - Medical Travel \$35 Million (est.)
 - Fuel (PPD) \$137 Million (est.)
- These two high value categories total over \$170 million. These expenditures are all the result of a competitive bidding process. If we include these numbers, Sole Source contracts would value less than 5% of total expenditures. Eliminating these numbers from the statistical analysis allows for a more detailed and closer examination of Sole Source contracts.

Sole Source Contract Observations

- Sole Source Contracting practices are monitored closely. The GN believes we get the best value for our money through the competitive bidding process. Section 3 of this report discusses the acceptable conditions for Sole Source contracts.
- The GN continues to review the contributing factors to contracts that have been sole sourced. We will continue to work towards reducing reliance on this contracting method. In 2007/08 Sole Source contracts, as a percentage of all contracts, increased by 2%. This growth is more prevalent in contracts with value over \$100,000.

Objective

The Government of Nunavut is committed to accountability, achieving greater transparency, and upholding the highest ethical standards in contracting activities. We are committed to ensuring fair and ethical practices in carrying out our responsibilities. Standards are maintained through effective regulations, appropriate policies and procedures, ongoing training and development of GN employees, and adherence to industry best practices. The Government of Nunavut is interested in developing a business environment in which local businesses grow, prosper and increase employment opportunities within Nunavut and expand the economy in general. Accountability to Nunavummiut is accomplished through:

Obtaining the best value for Nunavummiut overall;

Creating a fair, open, and transparent procurement environment for vendors;

Maintaining current and accurate information; and

Ensuring effective approaches to meet the GN's requirements.

Introduction

This Report presents statistical information about contracts entered into by GN Departments as reported to CGS "Procurement, Logistics and Contract Support"(with the exception of Real Property Lease Contracts which are reported separately). The organization of this report is based on Section 16 of the Government of Nunavut (GN) Contract Procedures Manual. Information in this report is for GN contracting activity during the 2007/08 fiscal year with Inuit Labour Achievement updates for construction contracts awarded the previous fiscal year.

Crown Corporations and Agencies, Boards, and the Legislative Assembly's contracting activities are not reported to CGS and are, therefore, not included in this report.

CGS cannot guarantee the completeness or accuracy of information reported by Departments, however, we 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.

Report Overview

Many factors can influence the comparability of data. Unusually high or low values of reported data can result from a blend of several external factors that may not necessarily be obvious to a reader including such significant items as annual variations in operating budgets or capital budgets, policy revisions and one-time initiatives. Users of this report should seek informed explanations respecting contributing factors before making judgments and should not base judgments solely on the pie charts and tables contained in this report. Readers should also consider the many other reports and published program information made available by the GN.

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

GOVERNMENT OF NUNAVUT

Contract Activity Report

3. Other – not registered as an Inuit or a Nunavut firm.

The report also analyses the participation of Inuit firms competing for GN contracts, and the employment of Inuit in GN construction and maintenance contracts. Pie charts and tables are used to illustrate the statistics presented.

Due to values being rounded to the nearest thousandth, some pie charts and percentages presented in tables may not necessarily add up to exactly 100%.

Firm Status

For this report, companies that were registered with both NTI and the GN are included in the 'Inuit' category and 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 other Provinces and Territories in Canada.

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, and for all other Contract Types is provided.

Contract Types are as follows: Air Charters, Architectural/Engineering Services, Consulting Services, Major and Minor Construction and Maintenance Services, Purchase Orders and Services Contracts. The number and value of contracts for each type are provided and illustrated in pie charts and summarized in tables. To facilitate analysis, contracts are analysed within dollar thresholds as follows:

Contracts > \$5,000 to <=\$25,000

Contracts >\$25,000 to <=\$100,000

Contracts >\$100,000.

Contracting Methods include contracts awarded by Public, Invitational and Sole Source contracting methods. Contracts are also analysed within the same dollar thresholds as described in Contract Types. The number and value of contracts for each method are illustrated in pie charts and summarized in tables. Sole Source contracts are examined further by breaking out the Contract Types awarded to the status category of 'Other' (not registered).

Contracts Awarded to Local Businesses provides the number and value of contracts awarded to Inuit Firms and Nunavut Businesses that are Local to the community where the goods and/or services are required. The number and value of contracts to Local are illustrated in pie charts and summarized in tables.

Submissions Received provides information about the number and status of firms bidding for Contracts - Excluding Goods and Sole Source awards. The number of bids and the number of bids from Inuit firms for competitive contracting are provided for the main Contract Type categories and is also illustrated in pie charts and tables.

Inuit Labour provides Inuit labour information for Minor Construction and Maintenance Services and Major Construction contracts.

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 otherwise 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.

Comparison to Prior Year This section looks at the number and dollar value of contracts to Inuit, Nunavut and Other, awarded by all departments under the Revised NNI Policy which came into effect on April 1, 2004. This policy was revised to allow non local firms to receive the local bid adjustment on April 20, 2006.

GOVERNMENT OF NUNAVUT

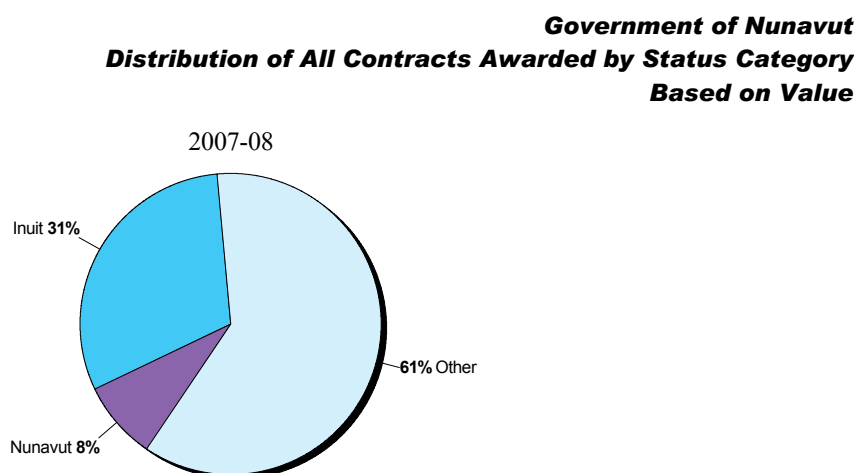
Contract Activity Report

Summary

1. All Contracts

The chart below "Government of Nunavut Distribution of All Contracts Awarded by Status Category - Based on Value" totals all contracts by value and status category.

All Contracts includes all contracts in excess of \$5,000. The introduction of a \$5,000 threshold for reporting purposes is consistent with recommendations provided by Members of the Legislative Assembly. This section examines the value and volume of all contracts awarded to Inuit, Nunavut and Other.



The pie chart and table above illustrate the value of contracts awarded to Inuit, Nunavut and Other firms.

In 2007/08 the total value for all contracts was, \$193,317,000.00 (rounded to the nearest thousand dollars). \$59,395,000.00 was awarded to Inuit (31%), \$16,371,000.00 to Nunavut (8%) and \$117,551,000.00 to Other (61%).

Distribution of All Contracts Awarded by Status Category - Based on Value (Thousands)

Type	Awarded			Inuit			Nunavut			Other		
2007/08	\$	193,317	100 %	\$	59,395	31 %	\$	16,371	8 %	\$	117,551	61 %
2006/07	\$	138,019	100	\$	67,559	49	\$	8,347	6	\$	62,113	45
2005/06	\$	88,438	100 %	\$	29,003	33 %	\$	10,105	11 %	\$	49,330	56 %

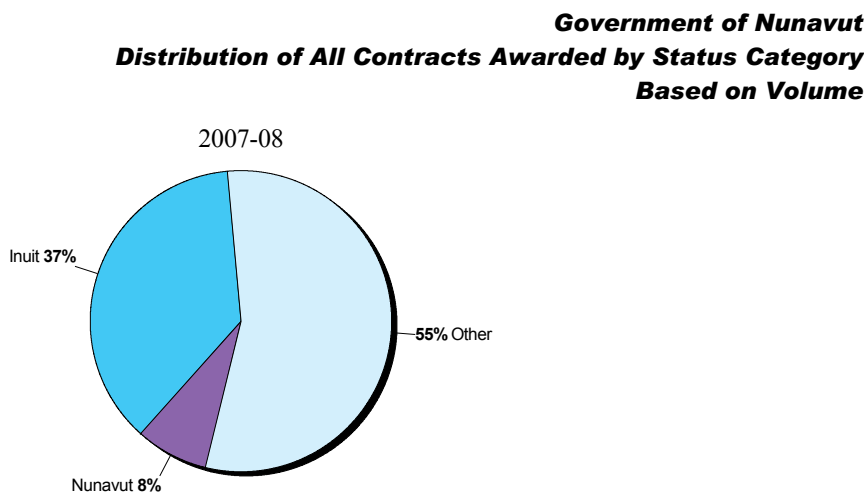
It is worthwhile to note that the category 'Other' in this report includes specialized care contracts awarded by Health & Social Services to Nunavut Residents, and Airport Maintenance contracts awarded by Economic Development & Transportation to various Nunavut Hamlet's (Municipal Corporations) and IT contracts by Community & Government Services. The 'Other' status category captures all other entities that for a variety of reasons do not fall within the status category of Inuit and Nunavut; as is the case for these contracts awarded to Nunavut-based individuals and entities.

If we exclude contracts awarded to hamlets, municipal corporations, and related entities such as Nunavut Arctic College, we find that a significant number of the contracts awarded to entities that fall within the 'Other' category represent business sectors in the Nunavut economy which are at a competitive disadvantage or are otherwise underdeveloped. In some cases we find that the Nunavut economy has insufficient volume to develop and maintain a successful business sector or industry. Challenges to successful entry and growth in some business sectors include the limited local market demand in Nunavut for a relatively small and widely distributed population, transportation costs in this vast geography, sufficient critical mass in skilled labour, trades and professionals, delivery volumes and /or sale volumes relative to initialisation and set up costs coupled with high operating costs of business operations. Such an operating environment and market conditions can in certain business sectors, create significant challenges for Nunavut's entrepreneurs.

The 'Other' category may also be viewed as possessing some underdeveloped market opportunity within Nunavut for Nunavut's entrepreneurs. Some of the general categories of goods and services consumed by Government that fall within the 'Other' category include: Informatics and Systems, Software, Education Books, Training Aids, Engineering and Architectural Service Firms and Specialized Training and Consulting. A listing of contracts awarded by Government of Nunavut is reported annually in the report entitled the Procurement Activity Report.

For the 2007/08 fiscal year, there has been a slight decrease (less than 1%) in the proportionate value of contracts which were awarded to the combined Inuit and Nunavut companies. This represents an 11% increase over 05/06. However, the value to 'Other' firm has grown proportionally by 16%.

The chart below *"Government of Nunavut Distribution of All Contracts Awarded by Status Category - Based on Volume"* totals all contracts by volume and status category.



Distribution of All Contracts Awarded by Status Category - Based on Volume

Type	Awarded		Inuit		Nunavut		Other	
2007/08	1,442	100 %	534	37 %	112	8 %	796	55 %
2006/07	1,053	100	410	39	63	6	580	55
2005/06	981	100	321	33	145	15	515	52

The pie chart and table above illustrate the volume (number) of contracts awarded to Inuit, Nunavut and Other firms.

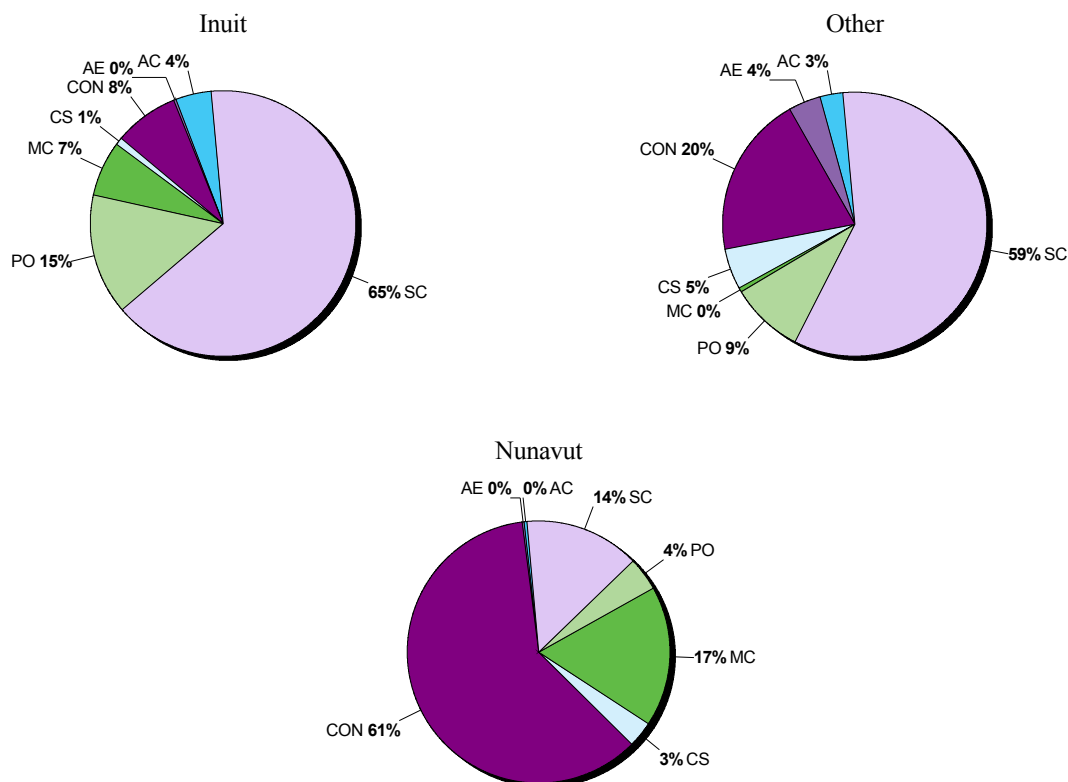
The total volume for all contracts was 1,442; 534 were awarded to Inuit (37%), 112 to Nunavut (8%) and 796 to Other (55%). These values reflect a 37% growth in the number of contracts issued. The volume numbers indicate that Inuit and Nunavut Firms are being awarded an increasing volume of contracts, that matches the overall growth in volume of contracts.

GOVERNMENT OF NUNAVUT

Contract Activity Report

The chart below *"Government of Nunavut Distribution of Contracts Awarded by Type - Based on Value"* summarizes the distribution of contract types awarded to Inuit, Nunavut, and Other by value.

**Government of Nunavut
Distribution of Contracts Awarded by Type
Based on Value
2007/08**



**Distribution of Contracts Awarded by Type - Based on Value
2007/08
(Thousands)**

Type	Awarded			Inuit		Nunavut		Other				
Air Charter (AC)	\$	6,021	3 %	\$	2,601	43 %	\$	62	1 %	\$	3,358	56 %
Architectural/Engineering (AE)		4,866	3		188	4		40	1		4,638	95
Construction (CON)		37,914	20		4,652	12		9,915	26		23,347	62
Consulting services (CS)		6,929	4		533	8		522	8		5,874	84
Minor Construction or Maintenance Services (MC)		7,405	4		3,984	54		2,836	38		585	8
Purchase Orders (PO)		19,992	10		8,750	44		679	3		10,563	53
Service Contracts (SC)		110,191	57		38,687	35		2,319	2		69,185	63
Total	\$	193,318	100 %	\$	59,395	31 %	\$	16,373	8 %	\$	117,550	61 %

GOVERNMENT OF NUNAVUT

Contract Activity Report

2006/07

(Thousands)

Type	Awarded			Inuit			Nunavut			Other	
Air Charter (AC)	\$	1,915	1 %	\$	967	50 %	\$	49	3 %	\$	899 47 %
Architectural/Engineering (AE)		3,698	3		105	3		108	3		3,485 94
Construction (CON)		67,055	49		52,529	78		3,876	6		10,650 16
Consulting services (CS)		6,336	5		132	2		249	4		5,955 94
Minor Construction or Maintenance Services (MC)		6,323	5		3,195	51		2,720	43		408 7
Purchase Orders (PO)		12,186	9		6,798	56		127	1		5,261 43
Service Contracts (SC)		40,508	29		3,833	10		1,219	3		35,456 88
Total	\$	138,021	100 %	\$	67,559	49 %	\$	8,348	6 %	\$	62,114 45 %

2005/06

(Thousands)

Type	Awarded			Inuit			Nunavut			Other	
Air Charter (AC)	\$	1,274	1 %	\$	477	37 %	\$	103	8 %	\$	694 55 %
Architectural/Engineering (AE)		7,663	9		1,206	16		31	-		6,426 84
Construction (CON)		14,871	17		5,339	36		4,250	28		5,282 36
Consulting services (CS)		3,335	4		177	5		110	3		3,048 92
Minor Construction or Maintenance Services (MC)		6,899	8		4,350	63		2,207	32		342 5
Purchase Orders (PO)		14,581	16		6,235	43		2,171	15		6,175 42
Service Contracts (SC)		39,814	45		11,219	28		1,232	-		27,363 69
Total	\$	88,437	100 %	\$	29,003	33 %	\$	10,104	11 %	\$	49,330 56 %

This sub-section analyses the distribution of the seven (7) main Contract Types in use at the GN by value to Inuit, Nunavut and Other. The table above indicates the values of each contract type. The pie charts in the previous section illustrate the distribution of contract dollars to Inuit, Nunavut and Other for each contract type. For example, out of \$59,395,000 to Inuit Firms, 4% was for Air Charters, 8% for Major Works Construction and so on.

In the fiscal year 2005/06, 78% of the Value of Contracts were for Major Construction, Purchase Orders and Service Contracts.

In the fiscal year 2006/07, 87% of the Value of Contracts were for Major Construction, Purchase Orders and Service Contracts. The increase is primarily due to an increase in Major Construction.

In the fiscal year 2007/08, 87% of the value of contracts were for Major Construction, Purchase Orders and Service Contracts. While this is the same as the previous year, we see a significant increase in service contracts in 2007/08.

Nunavut and Inuit companies, in general, are awarded the majority of the volume of Air Charter contracts (65%); however, this represents only 44% of the value. Inuit/Nunavut Air Charter suppliers are unable to provide or compete for larger Air Charters such as those required for the movement of sports teams. This is largely due to the large capital investment required for larger capacity aircraft and the relatively small Nunavut marketplace. Most Air Charters are competitively tendered.

The tables above clearly indicates that as the total value of contracts grows (40%) the value of contracts to 'Other' is growing at an increasing rate. In 2007/08, Inuit and Nunavut firms are winning a decreasing proportionate share of the value of contracts awarded.

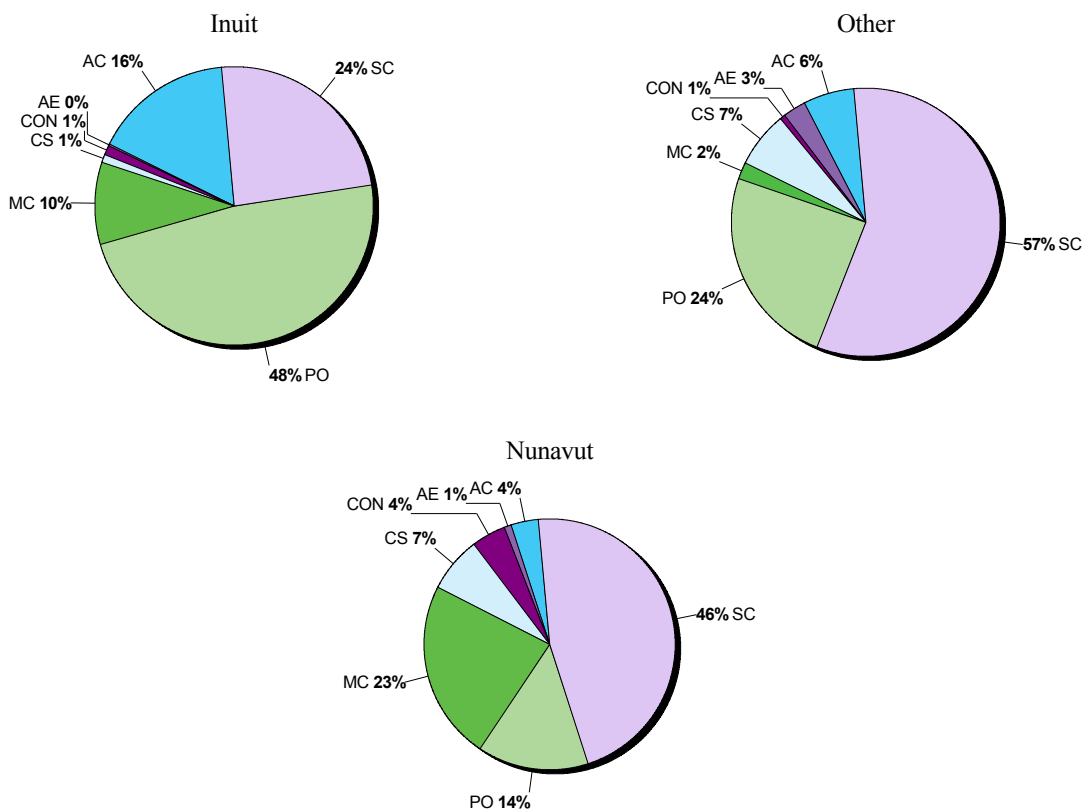
The pie charts indicate the percentage value of contracts to Inuit by type. Out of all the contracts that were won by Inuit firms (\$59,395) 65% of them were Service Contracts (38,687).

GOVERNMENT OF NUNAVUT

Contract Activity Report

The chart below *"Government of Nunavut Distribution of Contracts Awarded by Type - Based on Volume"* summarizes the distribution of contracts awarded by volume.

**Government of Nunavut
Distribution of Contracts Awarded by Type
Based on Volume
2007/08**



**Distribution of Contracts Awarded by Type - Based on Volume
2007/08**

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	140	10 %	87	62 %	4	3 %	49	35 %
Architectural/Engineering (AE)	24	2	1	4	1	4	22	92
Construction (CON)	16	1	6	38	5	31	5	31
Consulting services (CS)	67	5	5	7	8	12	54	81
Minor Construction or Maintenance Services (MC)	93	6	51	55	26	28	16	17
Purchase Orders (PO)	466	32	256	55	16	3	194	42
Service Contracts (SC)	636	44	128	20	52	8	456	72
Total	1,442	100 %	534	37 %	112	8 %	796	55 %

GOVERNMENT OF NUNAVUT

Contract Activity Report

2006/07

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	64	6 %	38	59 %	2	3 %	24	38 %
Architectural/Engineering (AE)	23	2	2	9	1	4	20	87
Construction (CON)	15	1	12	80	2	13	1	7
Consulting services (CS)	113	11	3	33	4	4	106	94
Minor Construction or Maintenance Services (MC)	87	8	47	54	31	36	9	10
Purchase Orders (PO)	401	38	241	60	10	3	150	37
Service Contracts (SC)	350	33	67	19	13	4	270	77
Total	1,053	100 %	410	39 %	63	6 %	580	55 %

2005/06

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	33	3 %	16	49 %	8	24 %	9	27 %
Architectural/Engineering (AE)	33	3	2	6	1	3	30	91
Construction (CON)	14	1	7	50	4	29	3	21
Consulting services (CS)	83	8	2	2	3	4	78	94
Minor Construction or Maintenance Services (MC)	102	10	59	59	33	32	10	10
Purchase Orders (PO)	422	43	193	46	79	19	150	35
Service Contracts (SC)	294	30	42	14	17	6	235	80
Total	981	100 %	321	33 %	145	15 %	515	52 %

This sub-section analyses the distribution of the seven (7) main Contract Types at use at the GN, by volume, to Inuit, Nunavut and Other. The table above indicates the volumes of each contract type. The pie charts above illustrate the volume of contracts awarded to Inuit, Nunavut and Other for each contract type.

In 2006/07 the numbers show that the combined Inuit and Nunavut firms competed well in the categories of Minor Construction and Maintenance Services (90% of the total), Air Charters (63% of the total) and Construction (93% of the total). In 2007/08, the numbers show that Inuit and Nunavut firms have lost some ground; they generally do well in these categories.

In 2005/06, eighty percent (80%) of the Service Contracts were awarded to Other firms. In 2006/07, 77% of service contracts were awarded to Other firms. In 2007/08, seventy one (72%) of the service contracts were awarded to Other firms. This 3 year trend shows that Inuit and Nunavut firms are gradually winning a greater proportionate share of this market.

A closer look at these contracts classified as 'Other' indicates that many of them are for specialized services such as "Open Custody" contracts for Justice, "Mental Health Care", "Specialized Residential Care", and "Dental Care" for Health and Social Services and IT related services for Community & Government Services. The report numbers also include contracts signed with the Nunavut Arctic College and Nunavut Hamlets. These organizations are classified as Other.

For the three year data above, the volume of contracts to 'Other' firms is between 52-55%. Therefore as the number of contracts overall grows, the ratio of contracts to 'Other' firms verses the combined Inuit and Nunavut remain consistent.

GOVERNMENT OF NUNAVUT

Contract Activity Report

2. Contract Types

This section of the report analyses contract types awarded based on three broad value categories:

Contracts > \$5,000 to <=\$25,000

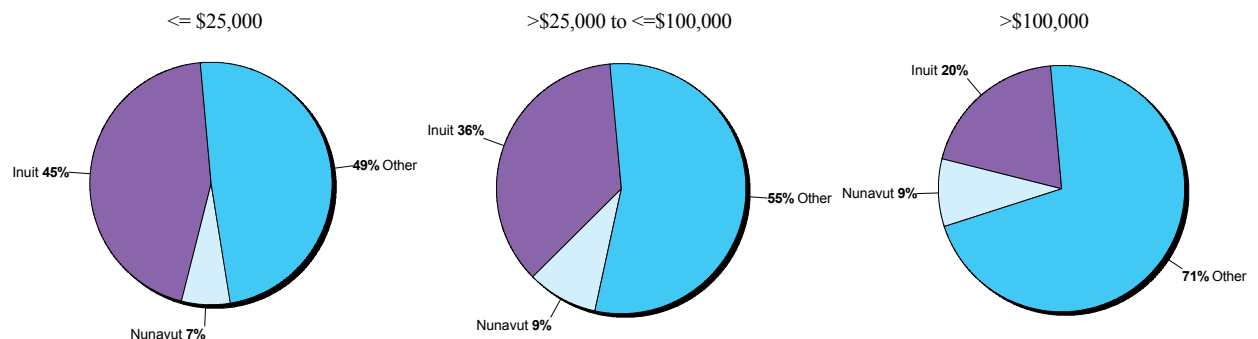
Contracts >\$25,000 to <=\$100,000

Contracts >\$100,000.

Each threshold category is first analysed by volume and value and then further broken down by volume and value to Inuit, Nunavut and Other.

The chart below *"Government of Nunavut Distribution of Contract Values Awarded - Based on Volume - Including Contracts for Goods"* summarizes the distribution of contracting values awarded by volume including contracts for goods.

**Government of Nunavut
Distribution of Contract Values Awarded - Based on Volume
Including Contracts for Goods
2007/08**



**Distribution of Contract Values Awarded - Based on Volume - Including Goods
2007/08**

Type	Awarded		Inuit		Nunavut		Other	
<=\$25,000	721	50 %	322	45 %	47	7 %	352	49 %
>\$25,000 to <=\$100,000	427	30	154	36	39	9	234	55
>\$100,000	294	20	58	20	26	9	210	71
Total	1,442	100 %	534	37 %	112	8 %	796	55 %

GOVERNMENT OF NUNAVUT

Contract Activity Report

2006/07

Type	Awarded		Inuit		Nunavut		Other	
<=\$25,000	533	51 %	259	49 %	27	5 %	247	46 %
>\$25,000 to <=\$100,000	333	32	116	35	19	6	198	59
>\$100,000	187	18	35	19	17	9	135	72
Total	1,053	100 %	410	39 %	63	6 %	580	55 %

2005/06

Type	Awarded		Inuit		Nunavut		Other	
<=\$25,000	526	54 %	189	36 %	83	16 %	254	48 %
>\$25,000 to <=\$100,000	283	29	86	30	45	16	152	54
>\$100,000	172	18	46	27	17	10	109	63
Total	981	100 %	321	33 %	145	15 %	515	52 %

The tables above illustrate that the combined Inuit and Nunavut firms are able to compete successfully for contracts under \$25,000. As the value of the contract increases, generally Inuit and Nunavut firms do not win as many contracts. This analysis is true for all of the last three reports.

The pie charts and table above set out the distribution of contract dollars to Inuit and Nunavut in three dollar value categories. The following are percentages of the dollar value of contracts to Inuit and Nunavut within the dollar thresholds as specified:

- 50% of the overall value of contracts were for contracts between \$5,000.00 and \$25,000.00; Inuit and Nunavut firms won 52% of contract volume in this value category. This is down 2% from last year.
- 30% of the contracts were in the greater than \$25,000 and less than or equal to \$100,000 category; Inuit and Nunavut firms won 45% (Inuit 36% and Nunavut 9%) of contract volume in this value category. This is up 4% from last year.
- 20% of the contracts awarded were contracts valued at greater than \$100,000.00; Inuit and Nunavut firms won 29% of the volume of these contracts. This is up 1% from last year.

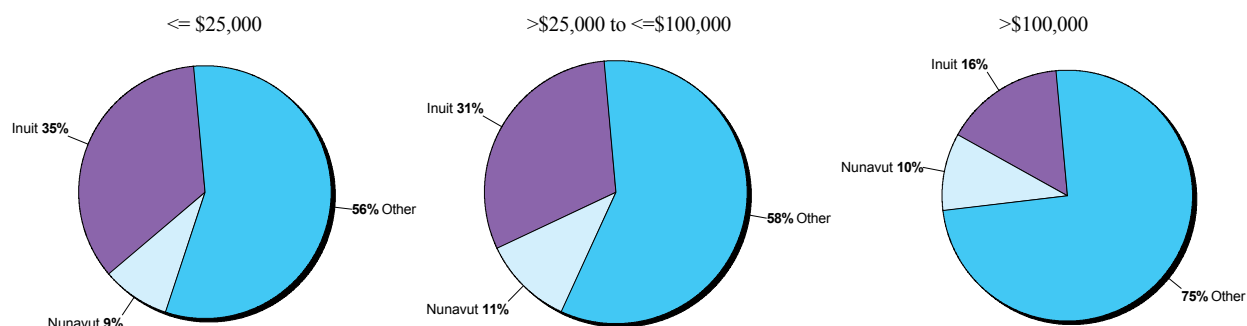
GOVERNMENT OF NUNAVUT

Contract Activity Report

Analysis Excluding Contracts for Goods

The chart below "Government of Nunavut Distribution of Contract Values Awarded - Based on Volume - Excluding Contracts for Goods" summarizes the distribution of contracting values awarded by volume excluding contracts for goods.

**Government of Nunavut
Distribution of Contract Values Awarded - Based on Volume
Excluding Contracts for Goods
2007/08**



Distribution of Contract Values Awarded - Based on Volume - Excluding Goods

2007/08

Type	Awarded		Inuit		Nunavut		Other	
<=\$25,000	402	41 %	140	35 %	35	9 %	227	56 %
>\$25,000 to <=\$100,000	323	33	99	31	36	11	188	58
>\$100,000	251	26	39	16	25	10	187	74
Total	976	100 %	278	28 %	96	10 %	602	62 %

2006/07

Type	Awarded		Inuit		Nunavut		Other	
<=\$25,000	256	39 %	91	36 %	17	6 %	148	58 %
>\$25,000 to <=\$100,000	234	36	56	24	19	8	159	68
>\$100,000	162	25	22	14	17	10	123	76
Total	652	100 %	169	26 %	53	8 %	430	66 %

2005/06

Type	Awarded		Inuit		Nunavut		Other	
<=\$25,000	208	37 %	45	22 %	25	12 %	138	66 %
>\$25,000 to <=\$100,000	213	38	51	24	28	13	134	63
>\$100,000	138	25	32	23	13	9	93	67
Total	559	100 %	128	23 %	66	12 %	365	65 %

When Goods contracts are removed, the number of contracts less than \$25,000 decreases by approximately 44%. The number of contracts between \$25,000 and \$100,000 decreases by 24%. The number of contracts over \$100,000 decreases by only 15%.

Inuit and Nunavut firms are winning more of the Goods (PO) contracts as the dollar value increases, as opposed to Service Contracts (SC).

In the pie charts above we examine the number of contracts excluding contracts for the purchase of goods > \$25,000. Contracts for goods alone represents a volume of 466 or 32%.

Impact Inuit Firms, with goods contracts removed

- The volume of contracts > \$5,000 to ≤\$25,000 awarded Inuit firms decreases by 57% when goods contracts are removed.
- Contracts >\$25,000 to ≤\$100,000 awarded to Inuit firms decreased by 36%.
- Contracts >\$100,000 awarded to Inuit Firms decreased by 33%, without goods contracts.

Impact on Nunavut Businesses, with goods contracts removed

- The volume of contracts > \$5,000 to ≤\$25,000 - Awards to Nunavut firms in this value threshold decreased by 26%, with goods contracts removed.
- Contracts >\$25,000 to ≤\$100,000 - Awards to Nunavut firms decreased by 8%, with goods contracts removed.
- Contracts >\$100,000 - Awards to Nunavut firms actually decreased by 4%, with goods contracts removed.

Impact on Other Businesses, with goods contracts removed

- Volume of contracts > \$5,000 to ≤\$25,000 - Awards to Other firms decreased by 36%.
- Contracts >\$25,000 to ≤\$100,000 - Awards to Other firms decreased by 20%.
- Contracts >\$100,000 - Awards to Other firms decreased by 11%

For the 2007/08 year, we can make a general observation that when we remove the volume of goods contracts from the total volume of contracts, Inuit firms receive a lower percentage of contracts, while Nunavut and Other firms receive a greater percentage of contracts. The numbers for the 2006/07 volumes also support this outcome. However the 2005/06 statistics indicate that as we remove the goods contracts from the total volumes, both the Inuit and Nunavut total contracts awarded decrease and the percentage to Other category increases.

Generally, Inuit and Nunavut firms (especially Inuit firms) win a greater percentage share of contracts when goods are included in the contract statistics. Inuit and Nunavut firms are able to compete better for goods contracts rather than service contracts.

Of the 466 goods contracts, there were 319 in the ≤\$25,000 value threshold. Inuit firms won 57% of these contracts and Nunavut businesses won 4%. The remaining 39% were awarded to Other.

Inuit firms are also winning about half of the goods supply contracts over the \$25,000 and \$100,000 value threshold categories. This suggests Inuit firms are able to supply a large quantity of goods to the GN. Most tenders for goods are publicly advertised.

GOVERNMENT OF NUNAVUT

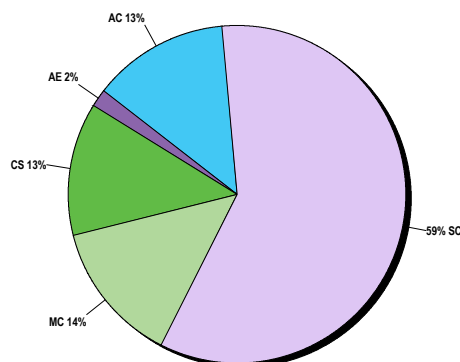
Contract Activity Report

Analysis by Contract Type

Contracts >\$25,000 to <=\$100,000: Value Type

The chart below "Government of Nunavut Distribution of Contracts by Type - Based on Value - For Contracts > \$25,000 to <= \$100,000 - Excluding Contracts for Goods" summarizes the distribution of contracting type by value for contracts greater than \$25,000 and less than or equal to \$100,000 excluding contracts for goods.

**Government of Nunavut
Distribution of Contracts by Type - Based on Value
For Contracts > \$25,000 to <= \$100,000
Excluding Contracts for Goods
2007/08**



Distribution of Contract Values Awarded - Based on Value For Contracts > \$25,000 to <= \$100,000 - Excluding Goods (Thousands)

Type	2007/08		2006/07		2005/06	
Air Charter (AC)	\$	2,264 13 %	\$	1,188 10 %	\$	273 2 %
Architectural/Engineering (AE)		295 2		520 4		463 4
Consulting services (CS)		2,198 13		2,512 21		2,198 19
Minor Construction or Maintenance Services (MC)		2,364 14		2,435 20		3,011 26
Service Contracts (SC)		10,167 59		5,543 45		5,734 49
Total	\$	17,288 100 %	\$	12,198 100 %	\$	11,679 100 %

86% of the value of contracts in this value threshold are expended on consultants, minor construction and maintenance (primarily O&M expenditures) and general services contracts.

The chart above shows that Air Charters have increased in value by 91% from 2006/07 to 2007/08. Over the three years we have seen a significant and consistent increase in Air Charters.

The year 2007/08 also saw a large jump in service contracts (83%).

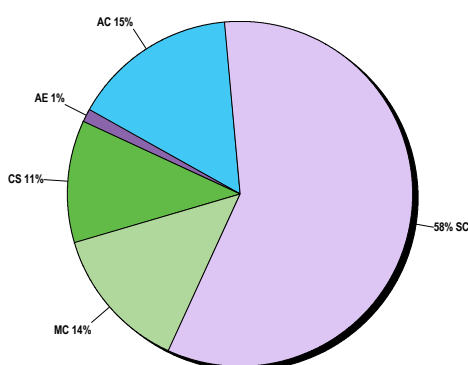
GOVERNMENT OF NUNAVUT

Contract Activity Report

Contracts >\$25,000 to <=\$100,000: Volume by Type

The chart below "Government of Nunavut Distribution of Contracts by Type - Based on Volume - For Contracts > \$25,000 to <= \$100,000 - Excluding Contracts for Goods" illustrates the distribution of contracting type by volume for contracts greater than \$25,000 and less than or equal to \$100,000 excluding contracts for goods.

**Government of Nunavut
Distribution of Contracts by Type - Based on Volume
For Contracts > \$25,000 to <= \$100,000
Excluding Contracts for Goods
2007/08**



Distribution of Contract Values Awarded - Based on Volume For Contracts > \$25,000 to <= \$100,000 - Excluding Goods

Type	2007/08		2006/07		2005/06	
Air Charter (AC)	50	15 %	27	12 %	7	3 %
Architectural/Engineering (AE)	4	1	8	3	11	5
Consulting services (CS)	37	11	49	21	42	20
Minor Construction or Maintenance Services (MC)	44	14	44	19	51	24
Service Contracts (SC)	188	58	105	45	102	48
Total	323	100 %	233	100 %	213	100 %

83% of the volume of contracts in this value threshold are for consultants, minor construction and maintenance (primarily O&M expenditures) and general services contracts.

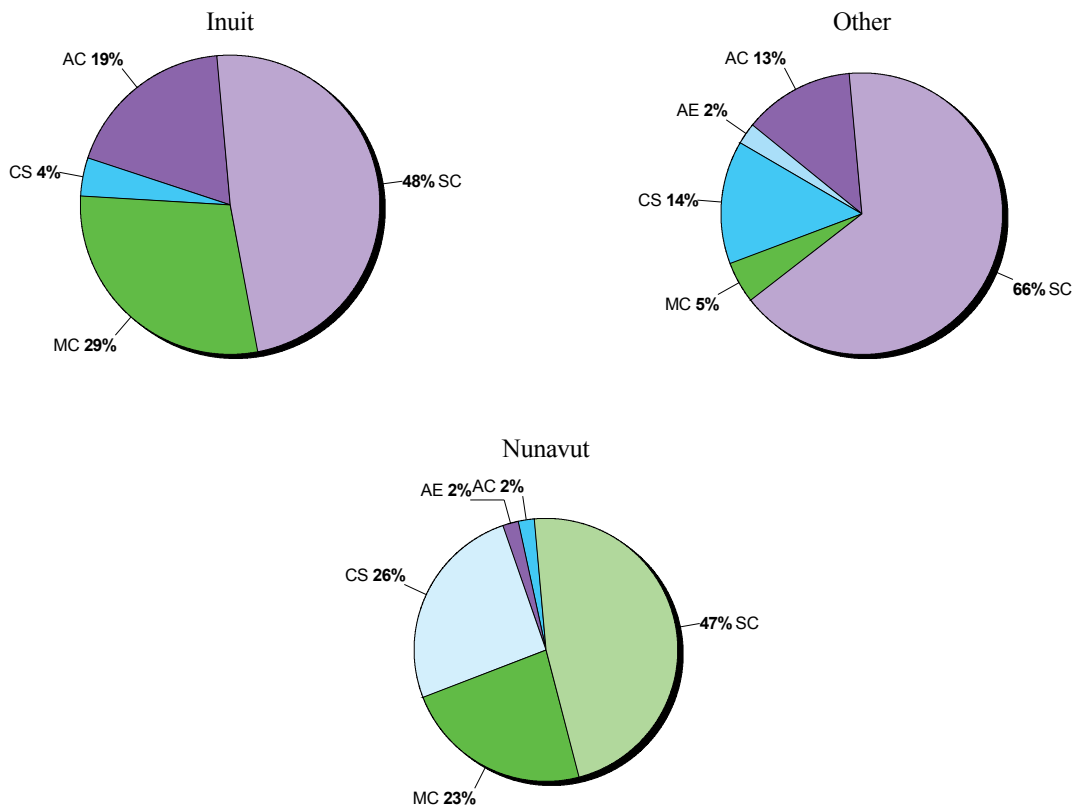
GOVERNMENT OF NUNAVUT

Contract Activity Report

Contracts >\$25,000 to <=\$100,000: Value: Status

The chart below "Government of Nunavut Distribution of Contracts by Status Category - Based on Value - For Contracts > \$25,000 to <= \$100,000 - Excluding Goods" summarizes the distribution of contracting by status category by value for contracts greater than \$25,000 and less than or equal to \$100,000 excluding contracts for goods.

**Government of Nunavut
Distribution of Contracts by Status Category -
Based on Value
For Contracts > \$25,000 to <= \$100,000
Excluding Contracts for Goods
2007/08**



This section looks at contracts greater than \$25,000 and less than or equal to \$100,000 excluding Purchase Order contracts. The pie charts and tables illustrate the distribution of awards to Inuit, Nunavut and Other firms by contract type. Of all the contracts awarded to Inuit firms, a large percentage of them are service contracts followed by Minor Works and then Air Charters (96% combined).

Inuit and Nunavut firms won 91% of the value of Minor Construction and Maintenance Services contracts in 2005/06. In 2006/07 they won 94%. This represents a small increase of 3%. In 2007/08 Inuit and Nunavut firms won 79%. This represents a 15% decrease in proportionate share worth a value of \$425,000.

GOVERNMENT OF NUNAVUT

Contract Activity Report

Of the value of contracts awarded to 'Other'; the majority are general service contracts and consulting services (80%) followed by Air Charters (13%). This represents 93% of the total value of all contracts in this value threshold.

Distribution of Contracts by Status Category - Based on Value For Contracts > \$25,000 to <= \$100,000 - Excluding Goods

2007/08

(Thousands)

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	\$	2,264	\$	897	40 %	\$	40	2 %
Architectural/Engineering (AE)		295		-	-		40	14
Consulting services (CS)		2,198		200	9		522	24
Minor Construction or Maintenance Services (MC)		2,364		1,396	59		473	20
Service Contracts (SC)		10,166		2,342	23		967	10
Total	\$	17,287	\$	4,835	28 %	\$	2,042	12 %
							\$	10,410
								60 %

2006/07

(Thousands)

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	\$	1,188	\$	458	39 %	\$	35	3 %
Architectural/Engineering (AE)		520		105	20		-	-
Consulting services (CS)		2,512		93	4		94	4
Minor Construction or Maintenance Services (MC)		2,435		1,636	67		658	27
Service Contracts (SC)		5,543		395	7		280	5
Total	\$	12,198	\$	2,687	22 %	\$	1,067	9 %
							\$	8,444
								69 %

2005/06

(Thousands)

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	\$	273	\$	155	57 %	\$	-	- %
Architectural/Engineering (AE)		463		-	-		31	7
Consulting services (CS)		2,198		177	8		110	5
Minor Construction or Maintenance Services (MC)		3,011		1,610	53		1,139	38
Service Contracts (SC)		5,734		1,069	18		380	7
Total	\$	11,679	\$	3,011	26 %	\$	1,660	14 %
							\$	7,008
								60 %

GOVERNMENT OF NUNAVUT

Contract Activity Report

Analysis of all 2007/08 contracts >\$25,000 to <=\$100,000, excluding goods

For contracts in this range, 28% of the total value was awarded to Inuit firms and 12% was awarded to Nunavut Businesses. The remaining 60% was awarded to firms that are not registered with NTI or the GN under the NNI Policy. This is not to say that the firms in the Other category are all not based in Nunavut. On the contrary, many Nunavut based companies do not register themselves for bid adjustments. Furthermore, individuals, hamlets, societies and other entities do not register because of the nature of their business. For example, hamlets can not register under the NNI for a bid adjustment. Also, individuals must be registered as a company before they can register for NNI or NTI status.

Inuit Firms

Compared to 06/07, the value of contracts to Inuit firms increased by 6%, Nunavut firms decreased by 28% and Other firms remained constant at 60%.

Contract Types where Inuit firms saw a significant increase in value from 06/07 to 07/08 are Air Charters and Service Contracts. Despite a 90% increase in Air Charter spending and a 96% increase in the value of Air Charters to Inuit firms, they won only 40% of the air charter contracts in this value threshold. Air charters represent only 13% of spending on contracts in this value threshold.

For Service Contracts, there was an 83% increase in spending. Inuit firms won 23% of the Service Contract dollar value.

- Air Charters from 39% to 40%
- Consulting from 4% to 9%
- Service Contracts from 7% to 23%

Overall, the value of the awards to Inuit firms went from 22% in 06/07 to 28% in 07/08.

Nunavut Firms

The proportionate share of the value of contracts to Nunavut Businesses went from 9% in 06/07 to 12% in 07/08 and increase of 3%. The most significant differences were in the Service Contracts and Consulting Services sectors.

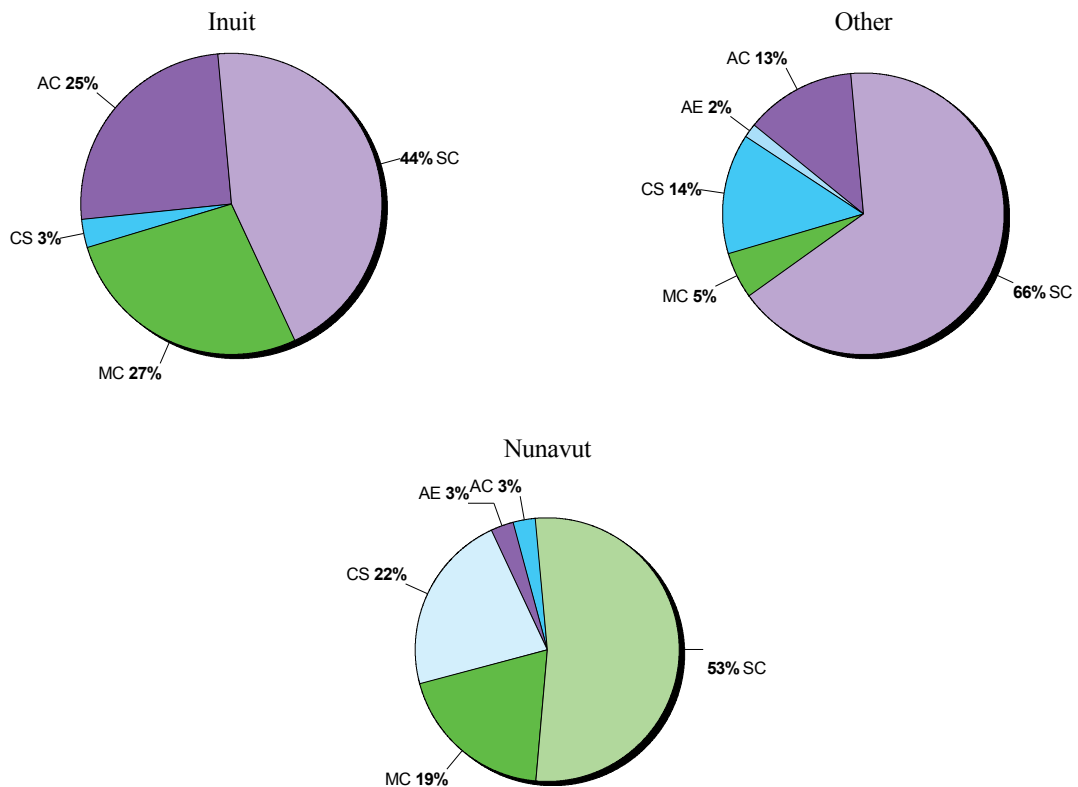
Other

Overall, the proportionate share of the value of contracts to Other firms decreased by 9%. Contract dollars to Other increased in all categories except Architectural/Engineering and Consulting Services and Service Contracts.

Contracts >\$25,000 and <=\$100,000 Volume-Status

The chart below *"Government of Nunavut Distribution of Contracts by Status Category - Based on Volume - For Contracts > \$25,000 and <= \$100,000 - Excluding Goods"* summarizes the distribution of contracting status category by volume for contracts greater than \$25,000 and less than or equal to \$100,000 excluding goods.

Government of Nunavut
Distribution of Contracts by Status Category - Based on Volume
For Contracts > \$25,000 and <= \$100,000
Excluding Contracts for Goods
2007/08



GOVERNMENT OF NUNAVUT

Contract Activity Report

Distribution of Contracts By Status Category - Based on Volume

For Contracts > \$25,000 and <= \$100,000 - Excluding Goods

2007/08

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	50		25	50 %	1	2 %	24	48 %
Architectural/Engineering (AE)	4		-	-	1	25	3	75
Consulting services (CS)	37		3	8	8	22	26	70
Minor Construction or Maintenance Services (MC)	44		27	61	7	16	10	23
Service Contracts (SC)	188		44	23	19	10	125	67
Total	323		99	31 %	36	11 %	188	58 %

2006/07

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	27	12 %	12	44 %	1	4 %	14	52 %
Architectural/Engineering (AE)	8	3	2	25	-	-	6	75
Consulting services (CS)	49	21	1	2	2	4	46	94
Minor Construction or Maintenance Services (MC)	44	19	30	68	11	25	3	7
Service Contracts (SC)	105	45	10	10	5	5	90	85
Total	233	100 %	55	24 %	19	8 %	159	68 %

2005/06

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	7	3 %	5	71 %	-	- %	2	29 %
Architectural/Engineering (AE)	11	5	-	-	1	9	10	91
Consulting services (CS)	42	20	2	5	3	7	37	88
Minor Construction or Maintenance Services (MC)	51	24	27	53	19	37	5	10
Service Contracts (SC)	102	48	17	17	5	5	80	78
Total	213	100 %	51	24 %	28	13 %	134	63 %

The pie charts above show the percentage of contracts awarded by type amongst the status categories of all the contracts awarded to Inuit firms, 44% of them are Service Contracts. This represents 14% of all contracts awarded in this value threshold. Last fiscal year, 2006/07, Service Contracts to Inuit firms represented 4% of all contracts awarded. Service contracts have increased significantly.

Inuit and Nunavut firms won 32% of the volume of contracts in 2006/07 fiscal year compared to 37% in 05/06 fiscal year. A decrease of 5%. By comparison, the volume of Awards to Other increased by 5%.

Inuit and Nunavut firms won 42% of the volume of contracts in 2007/08 fiscal year compared to 32% in the 2006/07 fiscal year. This represents an increase of 10%. Contracts to Other decreased by 10%.

Inuit firms have seen a significant increase in the volume of Air Charter and Service contracts in the >\$25,000 to <=\$100,000 value category. However, all contract types except A/E & Minor Construction & Services have increased.

Nunavut firms saw another marked decrease from 06/07 to 07/08 in the number of Minor Construction and Maintenance Service contracts, however, it is worthwhile to note that awards to Nunavut firms that are also Inuit firms are included in the Inuit firms status category.

Contracts > \$100,000 Value, Type

The chart below *"Government of Nunavut Distribution of Contracts by Type - Based on Value - For Contracts > \$100,000 - Excluding Contracts for Goods"* summarizes the distribution of contracting type by value for contracts greater than \$100,000 excluding contracts for goods.



GOVERNMENT OF NUNAVUT

Contract Activity Report

Distribution of Contracts By Type - Based on Value For Contracts > \$100,000 - Excluding Goods (Thousands)

Type	2007/08		2006/07		2005/06	
Air Charter (AC)	\$	2,609	2 %	\$	206	1 %
Architectural/Engineering (AE)		4,476	3		3,106	3
Construction (CON)		37,914	25		66,962	61
Consulting services (CS)		4,430	3		3,080	3
Minor Construction or Maintenance Services (MC)		4,624	3		3,403	3
Service Contracts (SC)		96,235	64		33,209	30
Total	\$	150,288	100 %	\$	109,966	100 %

This section looks at contracts greater than \$100,000 excluding Purchase Order contracts. The pie chart and table above illustrate the distribution of contract dollars by type.

In 2006/07, 91% of the value of contracts in this value threshold are for major works construction (capital projects) and general services contracts. In 2007/08 this combined total dropped slightly to 89%.

The small percentage of Air Charters, Consulting Services and Minor Works contracts is indicative of the typically lower values of these types of contracts.

The relatively small value of Architectural/Engineering contracts is indicative of the generally low volume of this type of contracting activity, relative to construction activities and capital planning.

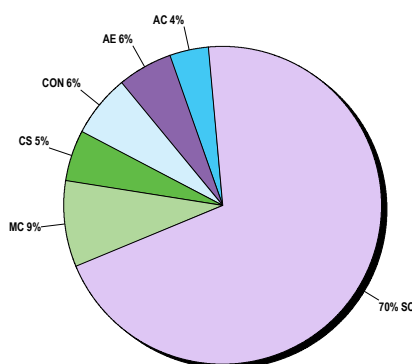
The Minor Works and Maintenance Contract Type is generally used for contracts not expected to exceed \$100,000, however contracts for annual "As and When" Maintenance over a two or three year period will exceed \$100,000.

2007/08 saw a large increase in Air Charter contracts and Service contracts when compared to previous years.

Contracts >\$100,000 Volume, Type

The chart below "*Government of Nunavut Distribution of Contracts by Type - Based on Volume - For Contracts > \$100,000 - Excluding Contracts for Goods*" illustrates the distribution of contracting type by volume for contracts greater than \$100,000 excluding contracts for goods.

**Government of Nunavut
Distribution of Contracts by Type - Based on Volume
For Contracts > \$100,000
Excluding Contracts for Goods
2007/08**



**Distribution of Contracts By Type - Based on Volume
For Contracts > \$100,000 - Excluding Goods**

Type	2007/08		2006/07		2005/06	
Air Charter (AC)	10	4 %	2	1 %	4	3 %
Architectural/Engineering (AE)	14	6	10	6	15	11
Construction	16	6	14	9	14	10
Consulting services (CS)	13	5	11	7	3	2
Minor Construction or Maintenance Services (MC)	22	9	15	9	21	15
Service Contracts (SC)	176	70	110	68	81	59
Total	251	100 %	162	100 %	138	100 %

This section looks at the volume of contracts greater than \$100,000 excluding Purchase Order contracts.

12% of the volume and 28% of the value of contracts in this value threshold are for Architectural/Engineering and Major Works Construction (contracts for capital infrastructure projects).

9% of the volume and 3% of the value of contracts in this value threshold are for Minor Construction and Maintenance contracts. This has been consistent for the past two years. This is indicative of the typically smaller value of this type of contract, however, multi-year 'As & When' operations and maintenance contracts can sometimes exceed \$100,000.

GOVERNMENT OF NUNAVUT

Contract Activity Report

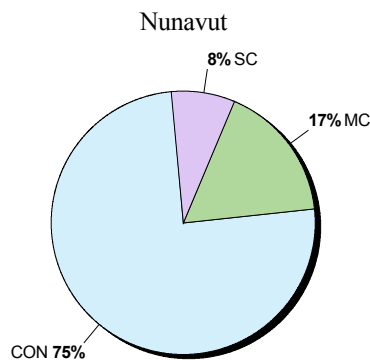
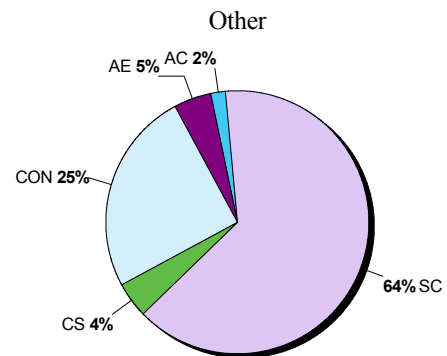
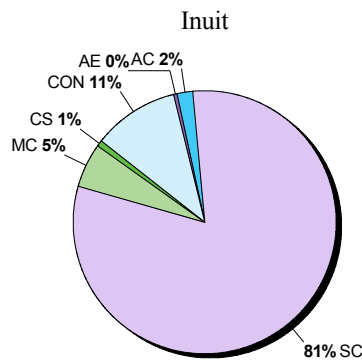
70% of the volume and 64% of the value of contracts in this value threshold are for Service Contracts, however, most of these contracts would normally be considered 'non-standard' services.

The small percentages, in volume and value, for Air Charters and Consulting Services indicate the typically smaller values for these types of contracts.

Contracts > \$100,000 Value - Category

The chart below "*Government of Nunavut Distribution of Contracts by Status Category - Based on Value - For Contracts > \$100,000 - Excluding Goods*" summarizes the distribution of contracting by status category by value for contracts greater than \$100,000 excluding goods.

**Government of Nunavut
Distribution of Contracts by Status Category - Based on Value
For Contracts > \$100,000
Excluding Contracts for Goods
2007/08**



GOVERNMENT OF NUNAVUT

Contract Activity Report

The pie charts above illustrate the distribution of contract awards by type within the Inuit, Nunavut and Other status categories.

Distribution of Contracts by Status Category - Based on Value For Contracts > \$100,000 - Excluding Goods

2007/08

(Thousands)

Type	Awarded			Inuit			Nunavut			Other			
Air Charter (AC)	\$	2,609	2 %	\$	872	33 %	\$	-	-	%	\$	1,737	67 %
Architectural/Engineering (AE)		4,476	3		188	4		-	-			4,288	96
Construction (CON)		37,914	25		4,652	12		9,915	26			23,347	62
Consulting services (CS)		4,430	3		333	8		-	-			4,097	93
Minor Construction or Maintenance Services (MC)		4,624	3		2,389	52		2,235	48			-	-
Service Contracts (SC)		96,235	64		35,481	37		1,021	1			59,733	62
Total	\$	150,288	100 %	\$	43,915	29 %	\$	13,171	6 %	\$		93,202	62 %

2006/07

(Thousands)

Type	Awarded			Inuit			Nunavut			Other			
Air Charter (AC)	\$	206	- %	\$	206	100 %	\$	-	-	%	\$	-	- %
Architectural/Engineering (AE)		3,107	3		-	-		108	3			2,999	97
Construction		66,962	61		52,436	78		3,876	6			10,650	16
Consulting services (CS)		3,080	3		-	-		144	5			2,936	95
Minor Construction or Maintenance Services (MC)		3,404	3		1,389	41		1,828	54			187	55
Service Contracts (SC)		33,209	30		2,783	8		892	3			29,534	89
Total	\$	109,968	100 %	\$	56,814	52 %	\$	6,848	6 %	\$		46,306	42 %

2005/06

(Thousands)

Type	Awarded			Inuit			Nunavut			Other			
Air Charter (AC)	\$	704	1 %	\$	176	25 %	\$	-	-	%	\$	528	75 %
Architectural/Engineering (AE)		7,080	12		1,206	17		-	-			5,874	83
Construction		14,871	25		5,339	36		4,250	29			5,282	36
Consulting services (CS)		575	1		-	-		-	-			575	100
Minor Construction or Maintenance Services (MC)		3,468	6		2,536	73		932	27			-	-
Service Contracts (SC)		32,515	55		9,934	31		729	2			21,852	67
Total	\$	59,213	100 %	\$	19,191	32 %	\$	5,911	10 %	\$		34,111	58 %

For the 2007/08 year, as a percentage of total contracts, the value of contracts to Inuit decreased by 23%, the value to Nunavut remained at the 6% and the value to Other increased by 20%. Inuit firms have seen significant increases in revenues from Air Charters and Service contracts and at the same time have seen a significant reduction in revenues from Major Works Construction.

Inuit firms saw a slight increase in A/E. At the same time, Nunavut firms for the 3rd year in a row have not won any Air Charter contracts in excess of \$100,000.00. Many Inuit firms winning Air Charter contracts are also Nunavut and these are included in Inuit.

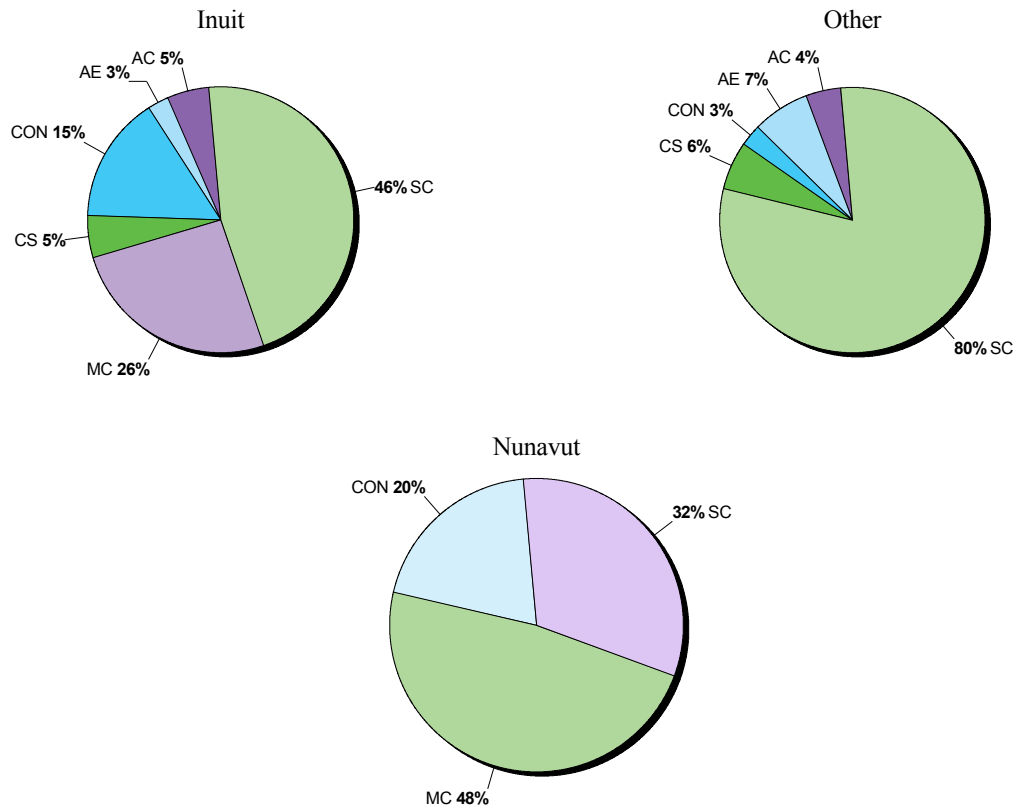
GOVERNMENT OF NUNAVUT

Contract Activity Report

Contracts > \$100,000 Volume - Status

The chart below *"Government of Nunavut Distribution of Contracts by Status Category - Based on Volume - For Contracts > \$100,000 - Excluding Goods"* summarizes the distribution of contracting status category by volume for contracts greater than \$100,000 excluding goods.

Government of Nunavut
Distribution of Contracts by Status Category - Based on Volume
For Contracts > \$100,000
Excluding Contracts for Goods
2007/08



Out of the 39 contracts awarded to Inuit firms, 46% of them were for Service Contracts and 41% were for Major and Minor Construction. Nunavut Businesses won 25 of 251 contracts (10%), and 68 % was for Major & Minor Construction.

GOVERNMENT OF NUNAVUT

Contract Activity Report

Distribution of Contract By Status Category - Based on Volume

For Contracts > \$100,000 - Excluding Goods

2007/08

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	10	4 %	2	20 %	-	- %	8	80 %
Architectural/Engineering (AE)	14	6	1	7	-	-	13	93
Construction (CON)	16	6	6	38	5	31	5	31
Consulting services (CS)	13	5	2	15	-	-	11	85
Minor Construction or Maintenance Services (MC)	22	9	10	45	12	56	-	-
Service Contracts (SC)	176	70	18	10	8	5	150	85
Total	251	100 %	39	16 %	25	10 %	187	74 %

2006/07

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	2	1 %	2	100 %	-	- %	-	- %
Architectural/Engineering (AE)	10	6	-	-	1	10	9	90
Construction	14	9	11	79	2	14	1	7
Consulting services (CS)	11	7	-	-	1	9	10	91
Minor Construction or Maintenance Services (MC)	15	9	5	33	9	60	1	7
Service Contracts (SC)	110	68	4	4	4	4	102	92
Total	162	100 %	22	14 %	17	10 %	123	76 %

2005/06

Type	Awarded		Inuit		Nunavut		Other	
Air Charter (AC)	4	3 %	1	25 %	-	- %	3	75 %
Architectural/Engineering (AE)	15	11	2	13	-	-	13	87
Construction	14	10	7	50	4	29	3	21
Consulting services (CS)	3	2	-	-	-	-	3	100
Minor Construction or Maintenance Services (MC)	21	15	15	71	6	29	-	-
Service Contracts (SC)	81	59	7	9	3	4	71	87
Total	138	100 %	32	23 %	13	9 %	93	68 %

For the fiscal year 2007/08, as a percentage of total contracts, the volume of contracts to Inuit contractors increased by 2% and the volume to Nunavut Contractors remained at 10%. The volume of contracts to Other decreased by 2%. It is worthwhile to note the number of Minor Works over \$100,000 decreased from last year.

Other non-registered businesses won 92% of the consulting contracts in 06/07 and 85% in 07/08, within this category.

It also is worthwhile to note that Inuit firms won 100% of the Air Charter contracts in 06/07 whereas they won only 20% of these contracts in 2007/08 fiscal year. 'Other' firms won 80%.

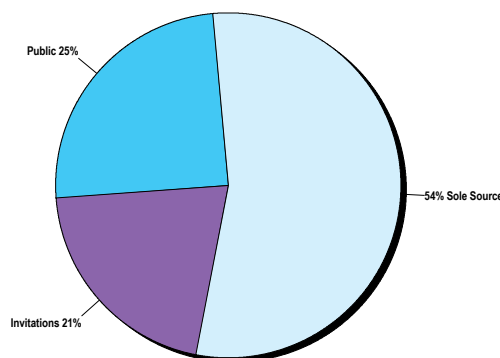
GOVERNMENT OF NUNAVUT

Contract Activity Report

3. Contracting Methods

The chart below *Government of Nunavut Distribution of Contracts > \$25,000 to <= \$100,000 by Contract Method* summarizes the distribution of contracting methods - Based on Value excluding goods contracts, contracts extended from previous years and contracts awarded under Standing Offer Agreements.

Government of Nunavut
Distribution of Contracts > \$25,000 to <= \$100,000 by Contract Method
- Based on Value
2007/08



Distribution of Contracts > \$25,000 to <= \$100,000 by Contract Method - Based on Value
(Thousands)

Year	Awarded		Public		Invitations		Sole Source	
2007/08	\$	14,302	\$	3,545 25 %	\$	2,978 21 %	\$	7,779 54 %
2006/07		12,292		3,115 25		2,545 21		6,632 54
2005/06		11,678		2,540 22		2,722 23		6,416 55

This section provides an analysis of contracts (\$25,000 and greater), excluding Goods, Extensions and contracts under SOA by Contracting Method in two value threshold categories. Contracts are entered into as a result of competitive or non-competitive Request for Tenders or Requests for Proposals. Competitive means asking more than one firm to respond; this is done by Invitation or by Public Advertisement. Non-Competitive means asking only one firm to submit a tender or proposal; this is more commonly known as a 'Sole' or 'Single' Sourcing. The Value and Volume of Sole Sources are further analysed later on in this section.

Public Tenders and Requests for Proposals (RFP's) are required all goods and services over \$25,000 and Construction over \$100,000. Invitational Tenders are done for goods and services over \$5000 but less than \$25,000. This also includes Construction under \$100,000.

The "Criteria" for Sole Sourcing a contract are set out in Section 10 of the Financial Administration Act, Government Contract Regulations. A Sole Source is permitted *"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; or

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

(c) the contract is an Architectural/Engineering services contract type that will not exceed \$25,000 in value, or is any other contract type that will not exceed \$5,000 in value".

A significant portion of the sole source contracts represents contracts issued for the following:

Specialized Residential Care, Department of Health

Proprietary training courses, including NAC

Contracts to Hamlets for various work such as Airport Operations

Dental care

Proprietary software and maintenance contracts for software

Audiology Services, Department of Health & Social Services

Information Technology, Professional Engineering & Project Management Services

GOVERNMENT OF NUNAVUT

Contract Activity Report

In 2007/08, of a total contract value of \$14,302,000 (rounded to the nearest thousand), \$6,523,000 resulted from Public or Invitational Requests for Tenders or Proposals (46%) and \$7,779,000 resulted from Sole Sources (54%). This is illustrated on the pie chart above. As a percentage, this is the same results as 2006/07, and represents a 1% decrease from 2005/06.

As a procurement department, we strive to get the maximum value for the Government of Nunavut. This is only possible through the competitive, public bidding processes. However, there are legitimate instances where a competitive bidding processes is not possible and the situation may fall within one of the four Sole Source situations.

The Contract Regulations for the Government of Nunavut permit Sole Source contracting in any one of the following situations:

1. If the value of the good or service to be purchased is under \$5,000;
2. If the contract is for Architectural and Engineering Service worth less than \$25,000;
3. If the need is of great urgency such that any delay could be injurious to the public; or
4. Situations where only one vendor (Sole Vendor) exists, such as the purchase of power from Qulliq Energy Corporation.

Many situations fall within item 4 above. For example, situations involving patents, copyrights and or intellectual property ownership (such as educational course design and materials or course delivery such as those offered by Nunavut Arctic College) or instances such as the purchase of a particular part or piece of equipment (such as a pump repair for a fuel delivery truck or plow parts for snow clearing). These situations may not necessarily warrant a competitive processes where they are in fact 'Sole Vendor' instances.

This is not to say that a 'Sole Vendor' situation applies when purchasing many commodities. In fact, when purchasing vehicles and or other products such as photocopiers and fax machines, etc., the GN must avoid the use of brand specific names. Requests for Tenders and Proposals must always indicate that the GN will accept bids for similar or equivalent products so long as they meet the quality and functional requirements that are established in the request.

Also, in some situations it is not advisable to issue a competitive call for tenders or proposals, by invitation or advertisement. In these situations, the delay caused by the tender or RFP period would be harmful to person(s) or end users of the good or service. These are emergency situations where if the government doesn't act immediately, there will be some form of public harm or injury. For example, sections of a roof have blown off a school or nursing station or other public building; contaminants are spilling into potable water, a fuel delivery truck requires repairs, etc. This is not to say that all emergencies or public harm is strictly a health and safety hazard. Indeed, many situations call for government action to improve the emotional health and well being of the public as well. A number of Nakasuk School contracts were awarded under this criteria to resolve the mould problem discovered in the crawlspace in the 07/08 fiscal year.

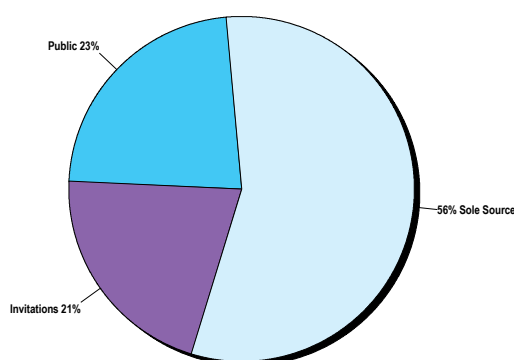
It should be noted that certain functions and responsibilities that are unique to certain departments lead to a higher propensity for this contracting method. Emergency situations with health and safety considerations or search and rescue may produce a need to enter into a contract quickly or limit alternatives or options for supply sources. Urgent situations involving the delivery of capital projects in the environmentally sensitive areas of sewage treatment, solid waste management and potable water have been contributing factors for sole source contracts on occasion. The arctic environment and a short construction season serve to complicate project delivery and contracting options. Good planning and project management practices help to alleviate the necessity to rely on Sole Sourcing.

In 2007/08, the two departments which had the highest value of sole source contracts were the Departments of Health and Social Services and Economic Development and Transportation. Each of these departments have responsibilities for providing essential basic services which may impact the prevalence and frequency of this form of contracting method on occasion.

Contracts >\$25,000 to <=\$100,000: Method

The chart below *Government of Nunavut Distribution of Contracts > \$25,000 to <= \$100,000 by Contract Method* summarizes the distribution of contracting methods - Based on Volume excluding goods contracts, contracts extended from previous years and contracts awarded under Standing Offer Agreements.

Government of Nunavut
Distribution of Contracts > \$25,000 to <= \$100,000 By Contract Method
- Based on Volume
2007/08

**Distribution of Contracts by Contract Method - Based on Volume**

Year	Awarded		Public		Invitations		Sole Source	
2007/08	262	37 %	60	23 %	55	21 %	147	56 %
2006/07	234	33	56	24	52	22	126	54
2005/06	213	30	40	19	52	24	121	57

In 2007/08, of the 262 contracts in the >\$25,000 to <\$100,000 value threshold , 115 resulted from Public or Invitational Requests for Tenders or Proposals (44%) and 147 resulted from Sole Sources (56%). This is illustrated on the pie chart above.

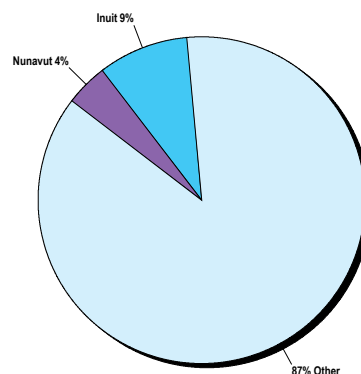
GOVERNMENT OF NUNAVUT

Contract Activity Report

Contracts >\$25,000 to <=\$100,000: Status

The chart below *Government of Nunavut Distribution of Sole Source Contracts > \$25,000 to <= \$100,000 By Status Category* summarizes the distribution of Sole Source Contracts by Status Category - Based on Value.

Government of Nunavut
Distribution of Sole Source Contracts > \$25,000 to <= \$100,000
By Status Category - Based on Value
2007/08



Distribution of Sole Source Contracts by Status Category - Based on Value (Thousands)

Year	Awarded		Inuit		Nunavut		Other		
2007/08	\$	7,780	37 %	\$	700	9 %	\$	6,754	87 %
2006/07		6,631	32		413	6	-	6,218	94
2005/06		6,416	31		318	5	363	5,735	89

In 2007/08, out of the \$7,780,000 in Sole Source awards (54% of contracts in the >\$25,000 and \$100,000 dollar threshold category), \$700,000 was sole sourced to Inuit firms (9% of contract dollars in the >\$25,000 and \$100,000 dollar threshold category). \$326,000 were Sole Sourced to Nunavut firms (2% of contract dollars in the >\$25,000 and \$100,000 dollar threshold category and 4% of the value of Sole Sources).

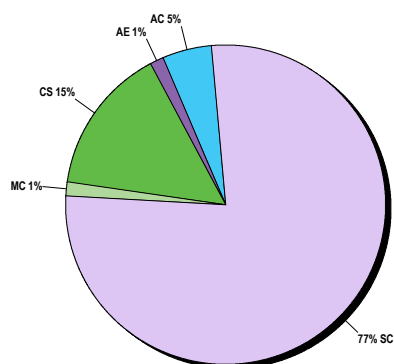
The remaining \$6,754,000 value of sole sources were awarded to Other (non-registered individuals, organizations and businesses). This represents 87% of contract dollars sole sourced in the >\$25,000 to <=\$100,000 dollar threshold category.

This is illustrated on the pie chart above (47% of the value of contract awards in the >\$25,000 and <=\$100,000 threshold).

Sole Source Contracts >\$25,000 to <\$100,000 by Status Category, Value

The chart below *Government of Nunavut Distribution of Sole Source Contracts > \$25,000 to <= \$100,000 By Status Category Awarded to Other Businesses* summarizes the distribution of Sole Source Contracts Awarded to Other Business - Base on Value

Government of Nunavut
Distribution of Sole Source Contracts > \$25,000 to <= \$100,000
By Status Category Awarded to Other Businesses
- Based on Value
2007/08



Distribution of Sole Source Contracts Awarded to Other Businesses - Based on Value
(Thousands)

Sole Source - Other Businesses	2007/08		2006/07		2005/06	
Air Charter (AC)	\$	337	5 %	\$	162	3 %
Architectural/Engineering (AE)		95	1		111	2
Construction	-	-	-	-	-	-
Consulting services (CS)		1,009	15		1,818	29
Minor Construction or Maintenance Services (MC)		94	1		105	2
Service Contracts (SC)		5,219	77		4,023	65
Total	\$	6,754	99 %	\$	6,219	101 %
					\$	5,734
						100 %

Of a total value of \$14,302,000 (rounded to the nearest thousand) contracts in the >\$25,000 and < \$100,000 dollar threshold category, \$7,779,000 was the result of Sole Source awards (54%). This is illustrated on the first pie chart of this Section 3.

Of the \$6,754,000 Sole Sourced to Other (87% of Sole Sources >\$25,000 and <= \$100,000); 92 % are for Consulting Services and Service Contracts.

Out of the total \$7,779,000 of Sole Source awards, \$6,754,000 (87% of Sole Sources) went to Other businesses (those not registered as Inuit or Nunavut firms).

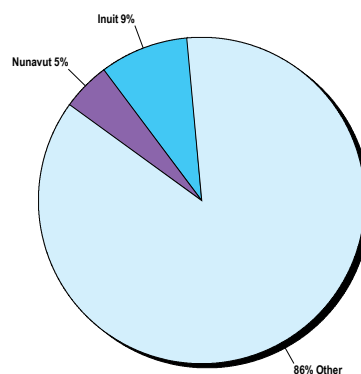
GOVERNMENT OF NUNAVUT

Contract Activity Report

Contracts >\$25,000 <= \$100,000, Status Category, Volume

The chart below *Government of Nunavut Distribution of Sole Source Contracts > \$25,000 to <= \$100,000 By Status Category* summarizes the distribution of Sole Source Contracts by Status Category - Based on Volume.

Government of Nunavut
Distribution of Sole Source Contracts > \$25,000 to <= \$100,000
By Status Category - Based on Volume
2007/08



Distribution of Sole Source Contracts by Status Category - Based on Volume

Year	Awarded		Inuit		Nunavut		Other	
2007/08	147	37 %	13	9 %	7	5 %	127	86 %
2006/07	126	32	8	6	-	-	118	94
2005/06	121	31	5	4	6	5	110	91

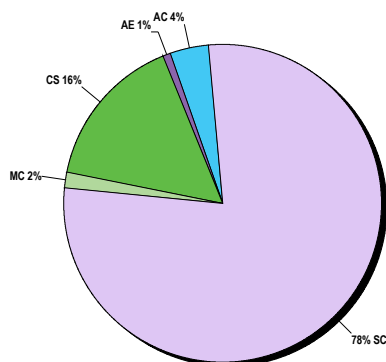
In 2007/08, of the total volume of 323 (262 excluding extensions and SOA contracts) contracts in the >\$25,000 to <=\$100,000 dollar threshold category, 147 were the result of Sole Source awards (56%).

Out of the 147 Sole Source awards, 127 contracts (86%) in the >\$25,000 to <=\$100,000 dollar threshold went to Other businesses (those not registered as Inuit or Nunavut firms). This is illustrated in the table above.

Contracts >\$25,000 <=\$100,000, Status Category, 'Other', Volume

The chart below *Government of Nunavut Distribution of Sole Source Contracts > \$25,000 to <= \$100,000 By Status Category Awarded to Other Businesses* summarizes the distribution of Sole Source Contracts Awarded to Other Business.

Government of Nunavut
Distribution of Sole Source Contracts > \$25,000 to <= \$100,000
Awarded to Other Businesses
- Based on Volume
2007/08



Distribution of Sole Source Contracts Awarded to Other Businesses - Based on Volume

Sole Source - Other Businesses	2007/08		2006/07		2005/06	
Air Charter (AC)	5	4 %	3	3 %	3	4 %
Architectural/Engineering (AE)	1	1	2	2	2	1
Construction	-	-	-	-	-	-
Consulting services (CS)	20	16	36	31	36	17
Minor Construction or Maintenance Services (MC)	2	2	2	2	2	2
Service Contracts (SC)	99	78	75	64	75	84
Total	127	101 %	118	102 %	118	108 %

94% of the volume of Sole Source awards to Other (non-registered) were for two Contract Types: Consulting Services and Service Contracts. The volumes and corresponding percents of Sole Source contracts to Other by Contract Type are shown the the table above. In 2006/07, the combined percentage was 95%.

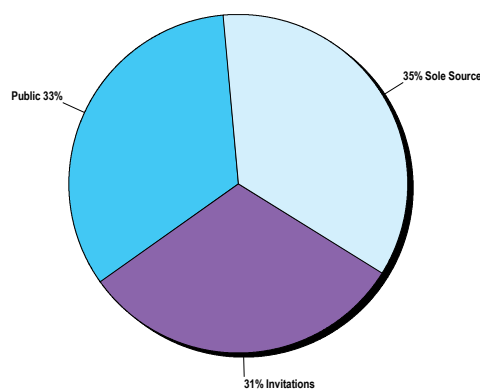
GOVERNMENT OF NUNAVUT

Contract Activity Report

Contracts >\$100,000, Contract Method, Value

The chart below *Government of Nunavut Distribution of Contracts > \$100,000 by Contract Method* summarizes the distribution of Contracts by Contract Method - Based on Value. For this section, goods contracts and contracts that were extended from previous years are excluded.

**Government of Nunavut
Distribution of Contracts > \$100,000 By Contract Method
- Based on Value
2007/08**



**Distribution of Contracts > \$100,000 by Contract Method - Based on Value
(Thousands)**

Year	Awarded		Public		Invitations		Sole Source	
2007/08	\$	105,756	\$	35,358 33 %	\$	33,122 31 %	\$	37,276 35 %
2006/07		109,966		77,100 70		7,170 7		25,696 23
2005/06		59,213		31,113 53		4,126 7		23,974 40

This sub-section provides an analysis of contracts, including Goods, by Contracting Method in the greater than \$100,000 value threshold category.

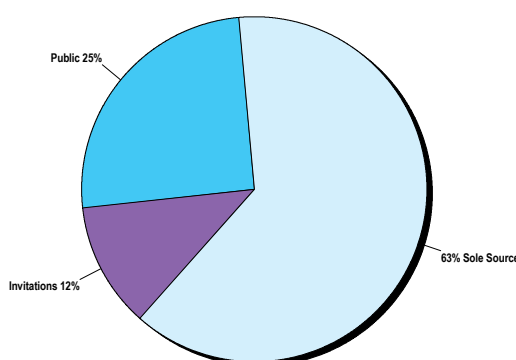
In 2007/08, of the total contract value of \$105,756,000, \$68,480,000 were formed as a result of Public or Invitational Requests for Tenders or Proposals (65%) and 37,276,000 resulted from Sole Sources. The Sole Source percentage is up by 12% for 2007/08. This is illustrated on the pie chart above.

In 2006/07, of a total contract value of \$109,966,000 (rounded to the nearest thousand), \$84,270,000 resulted from Public or Invitational Requests for Tenders or Proposals (77%) and \$25,696,000 resulted from Sole Sources (23%).

Contracts >\$100,000, Contract Method, Volume

The chart below *Government of Nunavut Distribution of Contracts > \$100,000 by Contract Method* summarizes the distribution of Contracts by Contract Method - Based on Volume.

**Government of Nunavut
Distribution of Contracts > \$100,000 By Contract Method
- Based on Volume
2007/08**

**Distribution of Contracts by Contract Method - Based on Volume**

Year	Awarded		Public		Invitations		Sole Source	
2007/08	213	42 %	54	25 %	25	12 %	134	63 %
2006/07	162	32	47	29	18	11	97	60
2005/06	138	27	42	30	21	15	75	54

In 2007/08, of the 213 contracts awarded in the >\$100,000 value threshold, 79 resulted from Public or Invitational Requests for Tenders or Proposals (37%) and 134 resulted from Sole Source (63%). This indicates an increase from the previous year of 38% or 37 contracts. This is illustrated on the pie chart above.

In 2006/07, of the 162 contracts in the >\$100,000 value threshold awarded, 65 resulted from Public or Invitational Requests for Tenders or Proposals (40%) and 97 resulted from Sole Sources (60%).

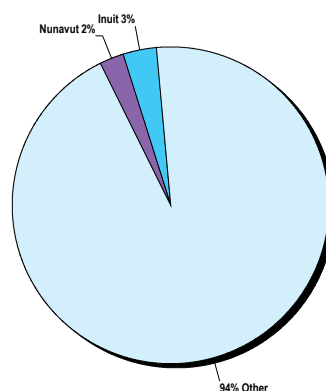
GOVERNMENT OF NUNAVUT

Contract Activity Report

Sole Source Contract Distribution, >\$100,000, Status, Value

The chart below *Government of Nunavut Distribution of Sole Source Contracts > \$100,000 By Status Category* summarizes the distribution of Sole Source Contracts by Status Category - Based on Value.

Government of Nunavut
Distribution of Sole Source Contracts > \$100,000 By Status Category
- Based on Value
2007/08



Distribution of Sole Source Contracts by Status Category - Based on Value (Thousands)

Year	Awarded		Inuit		Nunavut		Other					
2007/08	\$	37,275	43 %	\$	1,289	3 %	\$	918	2 %	\$	35,068	94 %
2006/07		25,695	30		109	-		-			25,586	100
2005/06		23,974	28		2,788	12		330	1		20,856	87

In 2007/08, of a total value of \$37,275,000 in Sole Source awards in the >\$100,000 dollar threshold category:

\$1,289,000 was sole sourced to Inuit firms (3% of Sole Sources and 1% of contracts in this value threshold) in the >\$100,000 dollar threshold category and 4918,000 was Sole Sourced to Nunavut firms (2% of Sole Sources and less than 1% of the value of contracts in this threshold). This represents a slight proportionate decrease (6%) to Other, or an increase of \$9,482,000 to Inuit and Nunavut firms.

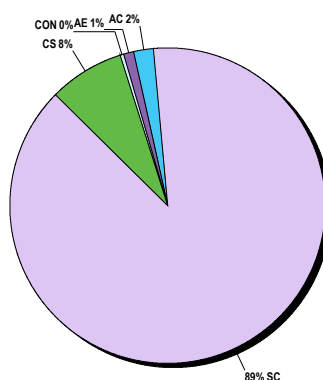
The remaining \$35,068,000 value of sole sources were awarded to Other (non-registered individuals, organizations and businesses). This represents 94% of the value of Sole Sources and 33% of the value of contract awards in the >\$100,000 value threshold. This shows that a significant value of contracts in greater than \$100,000 category are Sole Sourced.

This is illustrated on the pie chart above.

Contracts >\$100,000 Sole Sources - by Type, Value

The chart below *Government of Nunavut Distribution of Sole Source Contracts > \$100,000 By Status Category Awarded to Other Businesses* summarizes the distribution of Sole Source Contracts by Status Category - Based on Value.

Government of Nunavut
Distribution of Sole Source Contracts > \$100,000 By Type
Awarded to Other Businesses - Based on Value
2007/08



Distribution of Sole Source Contracts Awarded to Other Businesses - Based on Value
(Thousands)

Sole Source - Other Businesses	2007/08		2006/07		2005/06	
Air Charter (AC)	\$ 725	2 %	\$ -	3 %	\$ 122	3 %
Architectural/Engineering (AE)	365	1	402	1	-	2
Construction	125	-	-	-	-	1
Consulting services (CS)	2,719	8	313	11	276	13
Minor Construction or Maintenance Services (MC)	-	-	-	-	-	-
Service Contracts (SC)	31,135	89	24,872	122	20,458	149
Total	\$ 35,069	100 %	\$ 25,587	137 %	\$ 20,856	168 %

Of a total value of \$105,756,000 (rounded to the nearest thousand) in the >\$100,000 dollar threshold category, \$35,069,000 was the result of Sole Source awards (33%).

89% of the dollar value of Sole Source awards to Other (non-registered) were for Service Contracts. The dollar values and corresponding percents of Sole Source Contracts to Other by Contract Type are shown in the table above.

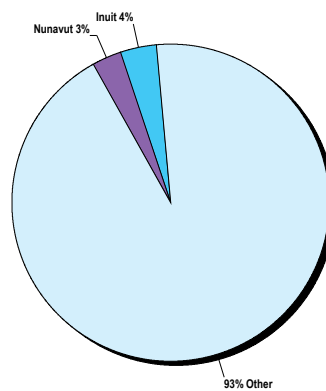
GOVERNMENT OF NUNAVUT

Contract Activity Report

Contracts >\$100,000, Status, Volume

The chart below *Government of Nunavut Distribution of Sole Source Contracts > \$100,000 By Status Category* summarizes the distribution of Sole Source Contracts by Status Category - Based on Volume excluding goods and contracts extended from previous years.

Government of Nunavut
Distribution of Sole Source Contracts > \$100,000 By Status Category
- Based on Volume
2007/08



Distribution of Sole Source Contracts by Status Category - Based on Volume

Year	Awarded		Inuit		Nunavut		Other	
2007/08	134	44 %	5	4 %	4	3 %	125	93 %
2006/07	97	32	1	1	-	-	96	99
2005/06	75	25	2	3	2	3	71	95

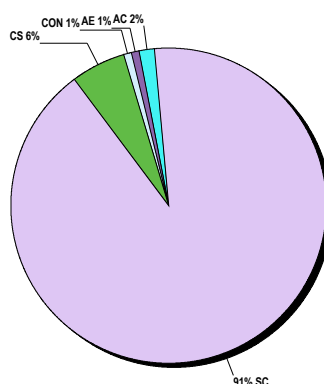
Of the total volume of 213 contracts in the >\$100,000 dollar threshold category, 134 were the result of Sole Source awards (63%).

Out of the 134 Sole Source awards, 125 contracts (93% of Sole Sources, 59% of the total volume of contracts in the >\$100,000 dollar threshold category) went to Other businesses (those not registered as Inuit or Nunavut firms). This represents a proportionate share decrease of 6% to Other from 2006/07 to 2007/08.

Contracts >\$100,000, Status 'Other', Volume

The chart below *Government of Nunavut Distribution of Sole Source Contracts > \$100,000 By Status Category Awarded to Other Businesses* summarizes the distribution of Sole Source Contracts Awarded to Other Business.

Government of Nunavut
Distribution of Sole Source Contracts > \$100,000 By Status Category
Awarded to Other Businesses - Based on Volume
2007/08



Distribution of Sole Source Contracts Awarded to Other Businesses - Based on Volume

Sole Source - Other Businesses	2007/08		2006/07		2005/06	
Air Charter (AC)	2	2 %	-	2 %	-	1 %
Architectural/Engineering (AE)	1	1	2	1	2	1
Construction	1	1	-	1	-	1
Consulting services (CS)	7	6	2	7	2	1
Minor Construction or Maintenance Services (MC)	-	-	-	-	-	-
Service Contracts (SC)	114	91	92	119	92	96
Total	125	101 %	96	130 %	96	100 %

91% of the volume of Sole Source awards to Other (non-registered) was for Service Contracts.

In summary, for all Sole Source contracts over \$25,000, 62% of the dollar value and 41% of the volume were competitively tendered.

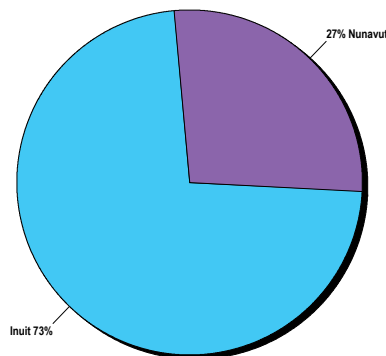
GOVERNMENT OF NUNAVUT

Contract Activity Report

4. Contracts Awarded to Local Business

The chart below "Government of Nunavut Contracts Awarded to Local Business - Based on Value - For Contracts > \$25,000 to <= \$100,000 - Excluding Goods" summarizes the distribution of contracts awarded to local businesses, based on value for contracts greater than \$25,000 and less than or equal to \$100,000 excluding goods.

Government of Nunavut
Contracts Awarded to Local Business - Based on Value
For Contracts > \$25,000 to <= \$100,000
Excluding Goods
2007/08



Contracts Awarded to Local Business - Based on Value
For Contracts >\$25,000 to <=\$100,000 - Excluding Goods
(Thousands)

Type	2007/08		2006/07		2005/06	
Inuit	\$	4,111 73 %	\$	1,906 72 %	\$	2,348 74 %
Nunavut		1,538 27		723 28		843 26
Total	\$	5,649 100 %	\$	2,629 100 %	\$	3,191 100 %

This section analyses the value of contracts in the >\$25,000 to <=\$100,000 dollar value threshold, excluding Purchase Orders, that were awarded to Inuit and Nunavut firms located in the same community where the work is required.

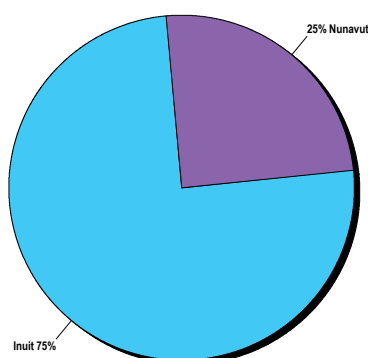
Of the \$17,288,000 (rounded to the nearest thousand) of contracts in the >\$25,000 to <=\$100,000 dollar value threshold, excluding Purchase Orders, a total value of \$5,694,000 was awarded to Local Inuit and Nunavut Businesses (33%). Of this \$5,649,000 value, \$4,111,000 was awarded to Local Inuit firms (73%), and \$1,538,000 was awarded to Local Nunavut firms (27%). For 2006/07, Local, Inuit and Nunavut Business was awarded 21% in the same category. This represents a 12% increase in proportionate share.

Note: Hamlets, Housing Authorities, Nunavut Arctic Collage 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 Businesses.

Contracts >\$25,000 <=\$100,000, Local, Volume

The chart below "*Government of Nunavut Contracts Awarded to Local Business - Based on Volume - For Contracts > \$25,000 to <= \$100,000 - Excluding Goods*" summarizes the distribution of contracts awarded to local businesses, based on quantity for contracts greater than \$25,000 and less than or equal to \$100,000 excluding goods.

Government of Nunavut
Contracts Awarded to Local Business - Based on Volume
For Contracts > \$25,000 to <= \$100,000
Excluding Goods
2007/08



Contracts Awarded to Local Business - Based on Volume For Contracts >\$25,000 to <=\$100,000 - Excluding Goods

Type	2007/08		2006/07		2005/06	
Inuit	85	75 %	39	75 %	37	70 %
Nunavut	28	25	13	25	16	30
Total	113	100 %	52	100 %	53	100 %

Of the 323 contracts excluding Purchase Orders in this value threshold, 113 were awarded to Local Inuit and Nunavut Businesses (35%). Of the 113 contracts, 85 were awarded to Local Inuit firms (75%), and 28 were awarded to Local Nunavut firms (25%).

In 2006/07, Local Inuit and Nunavut Businesses were awarded 22% in the same category. The 2007/08 numbers represent an increase of the 13% in proportionate share.

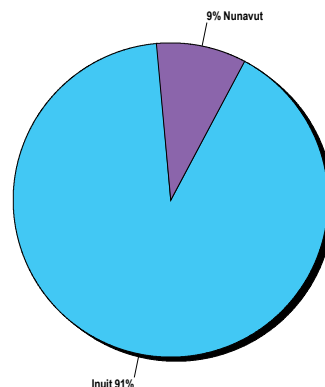
GOVERNMENT OF NUNAVUT

Contract Activity Report

Contracts >\$100,000, Local, Value

The chart below "Government of Nunavut Contracts Awarded to Local Business - Based on Value - For Contracts > \$100,000 - Excluding Goods" summarizes the distribution of contracts awarded to local businesses, based on value for contracts greater than \$100,000 excluding goods.

**Government of Nunavut
Contracts Awarded to Local Business - Based on Value
For Contracts > \$100,000
Excluding Goods
2007/08**



Contracts Awarded to Local Business - Based on Value For Contracts >\$100,000 - Excluding Goods (Thousands)

Type	2007/08		2006/07		2005/06	
Inuit	\$	38,718 91 %	\$	13,405 73 %	\$	13,303 89 %
Nunavut		3,920 9		5,033 27		1,589 11
Total	\$	42,638 100 %	\$	18,438 100 %	\$	14,892 100 %

This section analyses the value contracts in the >\$100,000 dollar value threshold, excluding Purchase Orders, that were awarded to Local Inuit or Nunavut firms.

Of the \$150,288,000 (rounded to the nearest thousand) of contracts in the >\$100,000 dollar value threshold, excluding Purchase Orders, \$42,638,000 (rounded to the nearest thousand) was awarded to Local Inuit and Nunavut Businesses (28%).

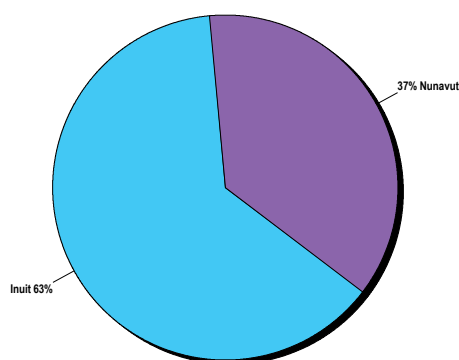
Of this \$42,638,000, \$38,718,000 was awarded to Local Inuit firms (91%), and \$3,920,000 was awarded to Local Nunavut firms (9%).

In 2006/07, Local Inuit and Nunavut Businesses were awarded only 17%. 2007/08 represents an increase of 11%.

Contracts > \$100,000, Local, Volume

The chart below "*Government of Nunavut Contracts Awarded to Local Business - Based on Volume - For Contracts > \$100,000 - Excluding Goods*" summarizes the distribution of contracts awarded to local businesses, based on quantity for contracts greater \$100,000 excluding goods.

**Government of Nunavut
Contracts Awarded to Local Business - Based on Volume
For Contracts > \$100,000
Excluding Goods
2007/08**



**Contracts Awarded to Local Business - Based on Volume
For Contracts > \$100,000 - Excluding Goods**

Type	2007/08		2006/07		2005/06	
Inuit	31	63 %	8	50 %	20	71 %
Nunavut	18	37	8	50	8	29
Total	49	100 %	16	100 %	28	100 %

Of the 251 awarded contracts in the >\$100,000 dollar value threshold, excluding Purchase Orders, 49 were awarded to Local Inuit and Nunavut Businesses (19.5%). In 2006/07 the proportionate share was only 10%, 2007/08 shows a 9.5% increase.

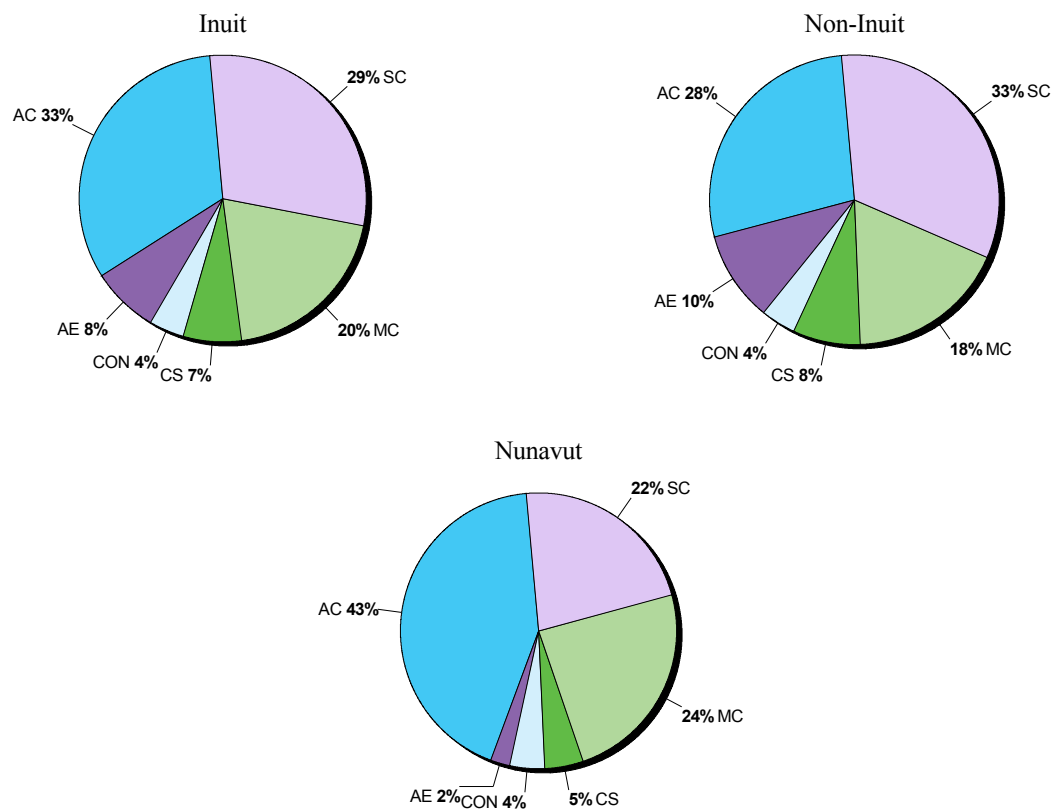
Of the 49 contracts, 31 were awarded to Local Inuit firms (63%) and 18 were awarded to Local Nunavut firms (37%).

From this section, "Contracts awarded to Local Businesses", the numbers show that Local Inuit and Nunavut Businesses are winning an increasing proportionate share of the value of contracts from 2006/07 to 2007/08.

5. Submissions Received

The chart below "Government of Nunavut Distribution of Submissions Received From Inuit & Non-Inuit Firms - Based on Volume - Excluding Goods and Sole Sources" summarizes the distribution of submissions received between Inuit and non-Inuit firms based on volume.

Government of Nunavut
Distribution of Submissions Received Between Inuit and Non-Inuit Firms
Based on Volume
Excluding Goods and Sole Source
2007/08



GOVERNMENT OF NUNAVUT

Contract Activity Report

Distribution of Submissions Received Between Inuit & Non-Inuit Firms

Based on Volume - Excluding Goods and Sole Source

2007/08

Type	Total		Inuit		Non-Inuit	
Air Charter (AC)	224	33 %	95	42 %	129	58 %
Architectural/Engineering (AE)	52	8	5	10	47	90
Construction (CON)	27	4	9	33	18	67
Consulting services (CS)	45	7	10	22	35	78
Minor Construction or Maintenance Services (MC)	136	20	53	39	83	61
Service Contracts (SC)	202	29	49	24	153	76
Total	686	100 %	221	32 %	465	68 %

2006/07

Type	Total		Inuit		Non-Inuit	
Air Charter (AC)	115	21 %	30	26 %	85	74 %
Architectural/Engineering (AE)	41	7	5	12	36	88
Construction (CON)	23	4	11	48	12	52
Consulting services (CS)	65	12	3	5	62	95
Minor Construction or Maintenance Services (MC)	133	24	59	44	74	56
Service Contracts (SC)	183	33	43	23	140	77
Total	560	100 %	151	27 %	409	73 %

2005/06

Type	Awarded		Inuit		Non-Inuit	
Air Charter (AC)	60	14 %	19	32 %	41	68 %
Architectural/Engineering (AE)	81	19	6	7	75	93
Construction (CON)	22	5	13	59	9	41
Consulting services (CS)	32	7	3	9	29	91
Minor Construction or Maintenance Services (MC)	163	38	91	56	72	44
Service Contracts (SC)	71	17	18	25	53	75
Total	429	100 %	150	35 %	279	65 %

The number of Inuit firms responding to tender calls for Air Charters and Service Contracts has increased by 16%. Within the category (from 26 to 42%). The percentage of firms responding to Minor Construction or Maintenance is down slightly (44 to 39%)

The actual volume of Air Charters is increased by 95% and the response from Inuit firms has increased over 300%. This illustrates that Inuit Companies are able to compete in this market with success.

The number of proposals received for Consulting Services is down by about 31%, however, the number of proposals from Inuit firms is up by 17%.

Inuit Firms compete more actively for Air Charter, Minor Construction/Maintenance Services and General Consulting Services contracts (89% of submissions from Inuit Firms) and they are successful in winning these contract types - especially in the >\$25,000 and <=\$100,000 value threshold.

Of all the submissions received from Non Inuit Firms, 33% are for Service Contracts and 28% are for Air Charters.

GOVERNMENT OF NUNAVUT

Contract Activity Report

We are seeing a marked increase in the participation of Inuit Firms in the air Charter and Service Contract types over the last 3 fiscal years. Inuit firms are competing successfully as we have seen marked increases in the number and value of awards to Inuit types in these three years.

Inuit Firms are submitting 42% of the bids for Air Charters and winning a large volume of Air Charter Contracts.

6. Inuit Labour

The table below *Government of Nunavut Analysis of Inuit Labour - Minor Construction or Maintenance* summarizes the involvement of Inuit Labour on construction and maintenance contracts less than \$100,000.00. This contract type is also more commonly referred to as a 'Minor Works' or 'O&M' contract.

	2007/08			2006/07			2005/06		
	Avg% Required	Avg% Bid	Avg% Achieved	Avg% Required	Avg% Bid	Avg% Achieved	Avg% Required	Avg% Bid	Avg% Achieved
Accross Nunavut	38 %	53 %	63 %	32 %	54 %	60 %	27 %	51 %	58 %
Baffin	29	50	68	17	45	55	25	55	53
Kitikmeot	23	30	56	25	8	10	10	28	43
Kivalliq	46	69	69	47	72	72	34	59	77

For the fiscal year 2006/07, the "Labour Requirement" has been achieved for all of Nunavut. In all regions, the Labour Achieved is almost double the Labour Required.

The table below *Government of Nunavut Analysis of Inuit Labour - Major Construction* summarizes the distribution of Inuit Labour on construction contracts in excess of \$100,000.00. This type of contract is more commonly referred to as a 'Major Works' or 'Capital Project' contract.

	2007/08			2006/07			2005/06		
	Avg% Required	Avg% Bid	Avg% Achieved	Avg% Required	Avg% Bid	Avg% Achieved	Avg% Required	Avg% Bid	Avg% Achieved
Accross Nunavut	27 %	32 %	34 %	35 %	39 %	- %	25 %	35 %	31 %
Baffin	23	23	31	40	44	34	31	33	13
Kitikmeot	21	13	-	8	17	23	15	32	25
Kivalliq	33	51	44	33	30	32	30	39	47

The table for Minor Works above indicates that the levels of Inuit Labour required are generally been exceeded by contractor's bid submissions and Inuit Labour Achievements on completion of the contract. The exception to this the Kitikmeot Region in 2006/07. All of the 2007/08 Labour figures exceed the requirements.

For Major Works, Kitikmeot contractors were not able to achieve the minimum requirements in their bids, however, completion of the contracts in 08/09 fiscal year will determine the average percentage achieved and whether or not they will succeed in maximizing Inuit Labour on their contracts.

For the Kivalliq, contractors exceed the minimums but not their proposed levels - the average percents bid.

For Minor Works in the Kivalliq, contractors maximize Inuit Labour and exceeded both the minimum requirement as well as the levels proposed in their bids.

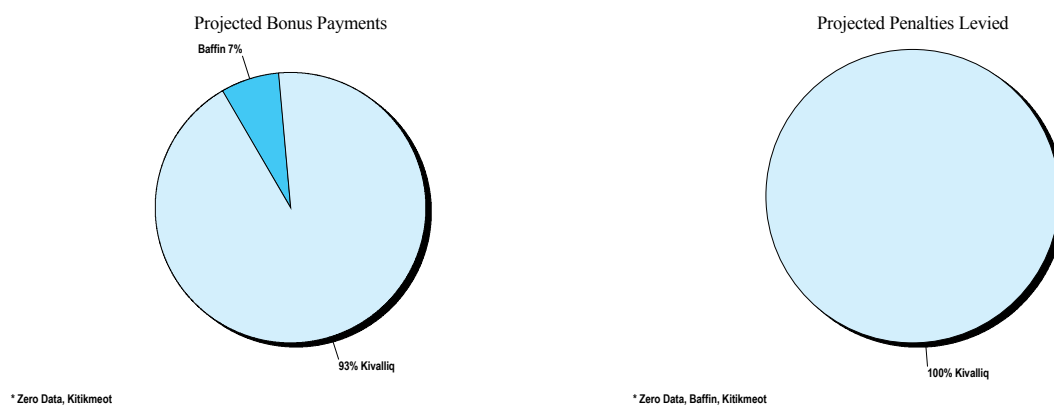
Inuit Labour Achievements on Major Works Construction contracts awarded in fiscal year 2007/08 will not be known until those contracts are completed sometime next fiscal year. Accordingly, data will be provided in the 2008/2009 report.

GOVERNMENT OF NUNAVUT

Contract Activity Report

The charts below *Government of Nunavut Anticipated Bonus Payments - Minor and Major Construction* and *Government of Nunavut Actual Bonus Payments - Minor and Major Construction* summarizes the distribution of Anticipated and Actual Bonuses.

Government of Nunavut Actual Bonus Payments Minor and Major Construction 2007/08



2007/08

	Anticipated Bonus Payments	Projected Bonus Payments	Projected Penalties Levied
Baffin	\$ 6	\$ 4	\$ -
Kitikmeot	73	-	-
Kivalliq	152	56	1

2006/07

	Anticipated Bonus Payments	Actual Bonus Payments	Actual Penalties Levied
Baffin	\$ 117 51 %	\$ 27 25 %	\$ 29 94 %
Kitikmeot	6 3 %	3 3 %	- - %
Kivalliq	105 46 %	80 73 %	2 6 %

2005/06

	Anticipated Bonus Payments	Actual Bonus Payments	Actual Penalties Levied
Baffin	\$ 123 37 %	\$ 56 55 %	\$ 32 97 %
Kitikmeot	69 21 %	2 2 %	1 3 %
Kivalliq	138 42 %	43 43 %	- - %

The chart above indicates that projected Bonus Payments have decreased from 2005/06 to 2006/07. This means that bidders are not generally exceeding the minimum requirements in their bids. The anticipated Bonus Payments in 2007/08 are within \$6,000 of the previous year. Therefore we anticipate increases in the Kivalliq and Kitikmeot and a decrease in the Baffin. This report captures the anticipated/projected Bonus Payments and Penalties levied. This does not reflect the actual financial expenditures in bonus dollars or assessments against defaulting contractors.

In November 2003, the NNI Review Committee recommended denial of bid adjustments on overinflated estimates of Inuit Labour. It would appear that bidders are now submitting more realistic bids.

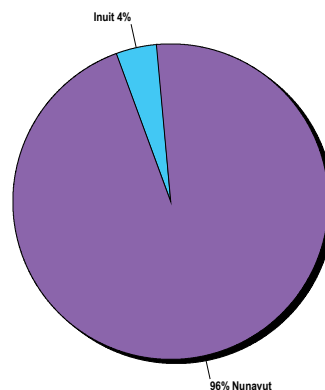
GOVERNMENT OF NUNAVUT

Contract Activity Report

7. NNI Adjustments

The chart below *Government of Nunavut Distribution of NNI Awarded Contracts - Based on Value*, summarizes the distribution of all contracts received excluding goods and sole sourced contracts.

Government of Nunavut
Distribution of NNI Awarded Contracts - Based on Value
2007/08



Distribution of NNI Awarded Contracts - Based on Value
(Thousands)

Contract Excluding Goods & Sole Source	2007/08		2006/07		2005/06	
Inuit	\$	372	4 %	\$	298	40 %
Nunavut		8,490	96		453	60
					431	27
Total	\$	8,862	100 %	\$	751	100 %

This section analyses the value and volume of contracts that were awarded to a contractor that would not have won the contract without the bid adjustments.

This information is based on All Contracts, excluding Purchase Orders and Sole Sources. 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 the lowest price tender, or highest rated proposal.

Non-registered (Other) firms can receive NNI Bid Adjustments when maximizing Inuit and Nunavut Content in their bids by using registered Inuit, Nunavut and Local subcontractors, suppliers and labour.

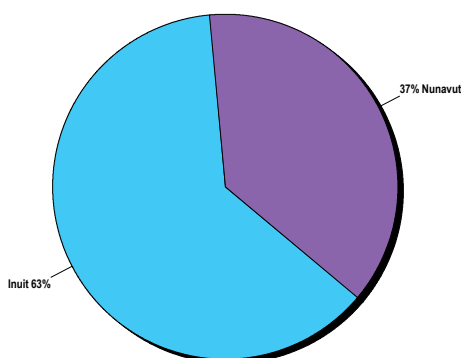
Note: As of May 2006, the NNI Policy allows for a non-Local bidder to receive the Local Adjustment if no local bidder has submitted or responded to the contract opportunity. The bidder need not be based in the community where the good, service or construction is required, but they must be a NNI or NTI registered business and also be based somewhere in Nunavut to get the adjustment. Refer to NNI Policy section 11.1(g).

The overall value of contracts awarded due to the NNI adjustments has increased significantly from 2006/07 to 2007/08. This indicates an overall increase in price competition in the Nunavut marketplace.

Out of all the competitively awarded contracts in 2007/08, 96% or \$8,490,000 went to Nunavut firms and 4% or \$372,000 went to Inuit firms.

The chart below *Government of Nunavut Distribution of NNI Awarded Contracts - Based on Volume* summarizes the distribution of all contracts received excluding goods and sole sourced contracts.

Government of Nunavut
Distribution of NNI Awarded Contracts - Based on Volume
2007/08



Distribution of NNI Awarded Contracts - Based on Volume

Contract Excluding Goods & Sole Source	2007/08		2006/07		2005/06	
Inuit	5	63 %	7	64 %	10	67 %
Nunavut	3	38	4	36	5	33
Total	8	101 %	11	100 %	15	100 %

8 contracts were awarded due to NNI adjustments; 5 to Inuit firms (63%) and 3 to Nunavut firms (38%). (No contracts were awarded to Other (non-registered firms) as a result of NNI Adjustments). This is illustrated in the pie chart and table above.

It appears that over the last three years, fewer contracts are being awarded due to NNI adjustments. Given the increase in the volume of bid submissions and general growth in contracts awarded to Inuit firms, this suggests Inuit firms may be increasing in their ability to bid more competitively.

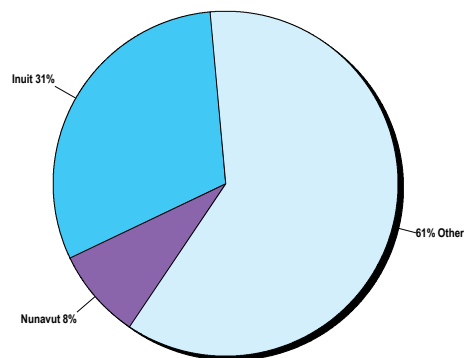
GOVERNMENT OF NUNAVUT

Contract Activity Report

8. Comparison to Prior Year

The chart below *Government of Nunavut Comparison to Prior Year Based on Contract Value* summarizes the comparison of current year to previous year contract value.

**Government of Nunavut
Comparison to Prior Year Based on Contract Value
2007/08**



	2007/08		2006/07	
Inuit	\$ 59,395	31 %	\$ 67,559	49 %
Nunavut	16,371	8	8,347	6
Other	117,551	61	62,113	45
Total	\$ 193,317	100 %	\$ 138,019	100 %

The value of all contracts increased by 40% for the year 2007/08.

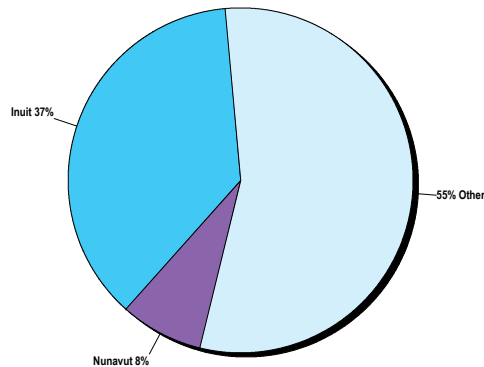
The value of contracts to Inuit decreased by 12%;

The value of contracts to Nunavut increased by 96%; and

The value of contracts to Other increased by 89%.

The chart below *Government of Nunavut Comparison to Prior Year Based on Contract Volume* summarizes the comparison of current year to previous year contract volume.

**Government of Nunavut
Comparison to Prior Year Based on Contract Volume
2007/08**



	2007/08		2006/07	
Inuit	534	37 %	410	39 %
Nunavut	112	8	63	6
Other	796	55	580	55
Total	1,442	100 %	1,053	100 %

The overall volume of contracts increased by 37% in 2007/08.

The volume of contracts to Inuit as a percentage of the total decreased by 2%; but in total increased by 30%.

The volume of contracts to Nunavut as a percentage of the total increased by 2%; but in total increased by 78%.

The volume of contracts to Other as a percentage of the total remain constant at 55% however increased 37%.

In general, as the volume of contracts grow from 2006/07 to 2007/08, the ratio of contracts to 'Other' firms growing at the same rate, Inuit firm share decreased slightly and Nunavut grew slightly.

Appendix A:

Definition of Terms and Abbreviations

Terms

"Contracting Method": refers to the way a contract is awarded. There are, primarily, three ways of awarding contracts in the GN; Requesting Tenders, Requesting Proposals and Sole Sourcing. Another way of awarding a contract is by negotiation, however, only Cabinet can award or approve awarding without competition when competition is available.

"Goods": means contracts for the purchase of goods or "Purchase Orders". Goods contracts are primarily awarded by the CGS Purchasing Section on behalf of GN Departments.

"Inuit" or "Inuit Firm": means a company that is 51% owned by Inuit and is included on the Nunavut Tunngavik Inc. (NTI) Inuit Firms Listing at the time the contract is awarded.

"Large Contracts": are Goods contracts with a value of \$5,000 and greater, and all other Contract Types with a value of \$25,000 and greater.

"Local": means an Inuit Firm or Nunavut Businesses whose business is based in the community where the work or goods are required.

"Nunavut": means a company that is 51% owned by Nunavut Residents and is included on the GN's Registry of Approved Nunavut Businesses at the time the contract is awarded.

'Other': means companies, persons or organizations that were not registered with NTI or the GN at the time the contract was awarded.

"Small Contracts": includes Goods Contracts under \$5,000 and all other Contract Types under \$25,000, and does not include Local Contract Authority (LCA) contracts.

"Sole Source": means awarding a contract without a competitive request for tenders or proposals; special criteria apply.

Abbreviations Defined

Departments

CGS	Community and Government Services
CLEY	Culture, Language, Elders and Youth
EDT	Economic Development and Transportation
EDU	Education
EIA	Executive and Intergovernmental Affairs
ENV	Environment
FIN	Finance
HR	Human Resources
HSS	Health and Social Services
JUS	Justice

Contracting Types

AC	Air Charter
AE	Architectural/Engineering
CON	Construction
CS	Consulting Services
MC	Minor Construction or Maintenance
PO	Purchase Orders
SC	Service Contracts

Contracting Methods

IRFP	Invitational Request For Proposals
IT	Invitational Tender
SS	Sole Source
PRFP	Public Request For Proposals
PT	Public Tender
SS	Sole Source
SV	Sole Supplier or Vendor