

## Nisichawayasihk Cree Nation WUSKWATIM EMPLOYMENT THE PICTURE AS THE PROJECT NEARS COMPLETION

NCN Member Update Newsletter – April 2011

## All About Jobs on the Wuskwatim Project

This newsletter provides an overview of Wuskwatim-related employment as

we enter the last 15 months of construction with a target completion date of June/ July 2012. It provides current and historic employment information dating back to the beginning of the project. It also address some of the employment challenges we have faced and what was expected and projected before the project began.

**From the beginning** of discussions with Manitoba Hydro that led to the signing the PDA in 2006, NCN wanted to be sure employment and business opportunities for its Members would be part of the package. Manitoba Hydro had similar goals from its own perspective knowing the project would only go forward with the cooperation of the First Nation and tangible benefits for Members.

#### The Project Development Agreement was negotiated with this and larger economic benefits in mind and

throughout the project, efforts have been made to maximize employment. There have been successes and challenges and as importantly, things learned by Manitoba Hydro and NCN.

#### **Construction-related employment is only one part of the picture** because

NCN negotiated the PDA to provide long-term economic opportunities. These economic opportunities extend far into the future and include both revenues for community development, training and employment in the broader Manitoba Hydro corporation.

## WHAT WE KNEW ABOUT PROJECT EMPLOYMENT BEFORE WE SIGNED THE PDA

### **OB OPPORTUNITIES WERE** OUTLINED IN THE PDA

The PDA said qualified Aboriginal people, including NCN Members, who are residents of northern Manitoba within the Churchill, Burntwood, Nelson River areas, would be included in the first hiring preference for certain jobs on the project.

**OVER INTERCEPT OF COULD HIRE MEMBERS** NCN businesses working on the project would be able to directly hire NCN Members and other northern Aboriginal people.

### of JOBS GO TO QUALIFIED WORKERS

If qualified Northern Aboriginal people were not available, these jobs would be filled by other qualified people.

**NCN'S LIMITED AVAILABLE WORKFORCE** Because of the small number of Members with technical skills relative to the population of the province, the number of jobs our people would qualify for would be relatively small and training would be required.

#### of TRAINING PROVIDED

ATEC was created to train NCN Members who were interested and many did get trained.



#### 💕 JOBS NOT GUARANTEED

No individual was ever guaranteed a job. Individuals had to decide what jobs they wanted to apply for. If they were successful, then they would need to hold on to their jobs by doing good work and following employment rules.

**CULTURAL AWARENESS SUPPORT OFFERED** To help NCN Members keep their jobs cross-cultural training and other supports would be provided.

**MEMBERS MUST WANT TO GO TO WORK** NCN and Hydro worked to set the stage for the employment of as many NCN Members as possible. But it has also always been up to individuals to make the most of the opportunities available.



#### AS A PARTNER NCN HAS AN INTEREST IN BRINGING THE PROJECT IN ON TIME AND ON BUDGET

As a First Nation, we have entered into the Wuskwatim project as a means of improving our economy and our future. We formed the unprecedented partnership with Manitoba Hydro to create this project, and contractors (including some of our own) have been hired to build it. Everyone has had to deliver on promises and timelines or suffer serious economic consequences. We are no different. As a People we need to step up and take charge of our new destiny.

We can't put barriers in the way of our own project and our own success. Instead we need to work together to find ways to keep it successfully moving forward while striving to take advantage of all the project has to offer.

### Results So Far...

## WUSKWATIM HAS PROVIDED EMPLOYMENT FOR 326 NCN MEMBERS

#### A Look at the Numbers

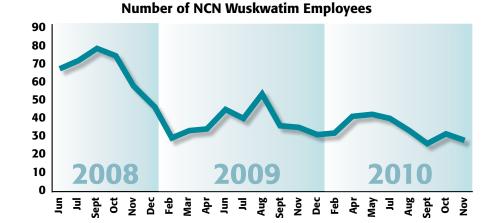
Since the project started in 2006, there have been 536 job placements involving 326 NCN Members. As of January 2011, 24 NCN Members were employed on site at the Wuskwatim project.

Keeping a high number of NCN Members on the job is a challenge and not realistic given the small available labour force with the skill sets required for the remaining jobs on the project.

#### Some Members Held Multiple Jobs

The 536 job placements involving those 326 NCN Members indicates some Members have held more than one job on the project. Some jobs may have ended and employees were hired for other jobs that required the same skills. Other Members may have quit one job, but were hired for another.

At 27 percent of all Aboriginal placements, NCN's participation far surpasses any other Manitoba First Nation with the next at 13 percent.



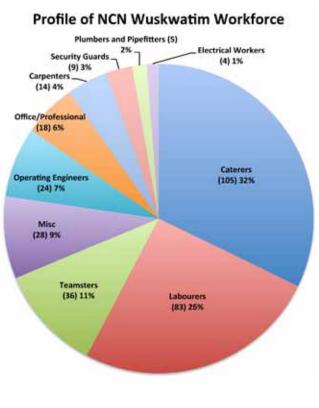


## AVERAGE LENGTH OF EMPLOYMENT FOR NCN MEMBERS IS LONGER THAN FOR ALL WUSKWATIM WORKERS

The average length of employment for the 326 NCN Members who have worked on the Wuskwatim project is eight months, which is slightly more than the average of 7.7 months for all workers on the project.

More than two out of three NCN Members who have worked on Wuskwatim have held positions in three categories with most (32 percent) working in catering, followed by labour jobs (25 percent) and equipment operators (11 percent).

NCN Members have also worked as operating engineers (7 percent). The remaining 25 percent of NCN workers have had jobs as office workers, carpenters, security guards, plumbers, pipefitters, electrical workers and miscellaneous other positions.



# Quick Facts

536 NCN job placements since the project start

**326** NCN Members have worked on the Wuskwatim Project

**27%** of all Aboriginal hires were NCN Members, NCN's participation far surpasses any other First Nations

24 NCN Members are currently employed on the Wuskwatim project (January 2011)

**398** NCN Members have successfully completed training (see page 6)

**8** months average length of employment of NCN Members

2333 Members worked on Wuskwatim-related, spin-off jobs (see page 5)

## **ACTUAL EMPLOYMENT NUMBERS HIGHER THAN PROJECTED**

The Wuskwatim Environmental Impact Statement (EIS) included job predictions for the two major construction phases, based on assumptions and understandings of the project and the construction industry at the time (the EIS predictions excluded Manitoba Hydro staff and contractor supervisory and management positions, which are included in the actual numbers).

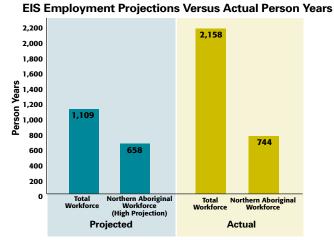
O.N.E., the General Contractor, used a significantly different work approach than Hydro predicted, which increased required resources at different times to keep Wuskwatim's critical schedule.

- The EIS predicted an overall Northern Aboriginal employment rate for the entire project of 46 to 59 percent which is higher than the 34 percent on the project to date. Part of this is the result of the bigger labour force that O.N.E. employed to speed up construction to meet deadlines.
- The downward trend of Northern Aboriginal participation from the infrastructure stage to the generating station construction stage is consistent with EIS predictions. Northern Aboriginal participation was predicted to drop from 97 to about 50 percent

compared to the actual drop to the end of November 2010 which went from 64 to 26 percent.

• The proportion of Northern Aboriginal employment to date at 34 percent is near the low end of the range predicted for the project as a whole in the EIS.

#### The proportion of Northern Aboriginal employment to date, at 34 percent, is higher than the total for Limestone which was 25 percent.



#### EIS Projected versus Actual Employment (Northern Aboriginal Workers)

Employment (person years)	Projected	Actual (as of Nov. 2010)	Notes	
Total	1,109	2,158	Actual is 95 percent higher than projected	
Northern Aboriginal Workers	658	744	Actual is 20 percent higher than projected	
Northern Aboriginal Workers (Stage One)	109	322	Actual is three times higher than projected	
Northern Aboriginal Worker (Stage Two)	396-548	421	Actual is within the range projected	AS PROJECT
Proportion of Northern Aboriginal Workers to Total (Stage One)	97%	65%	Strategy used to speed up work resulted in much larger overall workforce resulting in lower percentage	
Proportion of Northern Aboriginal Workers to Total (Stage Two)	40-55%	26%	Strategy used to speed up work resulted in much larger overall workforce resulting in lower percentage	

### Off-site Jobs....

## WUSKWATIM SPIN-OFF JOBS HAVE CREATED ADDITIONAL EMPLOYMENT FOR OVER 230 NCN MEMBERS SINCE 2006

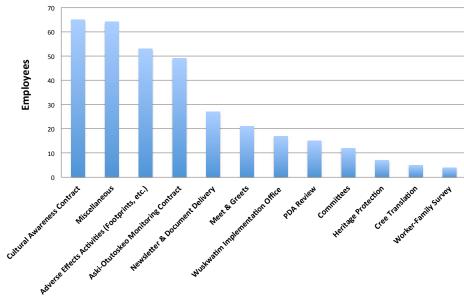
The wuskwatim.ca website regularly reports monthly or bimonthly on project employment going back to 2008. Those numbers include current employment levels for NCN Members as well as total numbers for NCN and other First Nations' hirings to date.

These hirings relate only to specific Wuskwatim construction or support contracts, which include early NCN joint-venture road construction contracts and NCN's joint-venture contract with Sodexo to provide catering and other camp services.

However, those numbers do not include other indirect employment opportunities related to Wuskwatim

or PDA-funded projects. Between the project start in 2006 and January 2011, the project created 12 full-time and 339 casual and part-time employment opportunities with 233 NCN Members benefiting from those. The 12 additional full-time jobs are with the Implementation Office, Aski' Otutoskeo Monitoring Contract, Cultural Awareness Contract and the PDA Review.

More than a dozen programs generated the part time or casual job opportunities with the Cultural Awareness Contract, Adverse Effects Activities and Aski' Otutoskeo Limited Contact accounting for more than half of them.





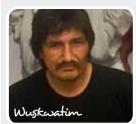
\*JOHN JAMES SPENCE Labourer at Wuskwatim Village



\*MONICA LINKLATER Community Liaison Worker, Wuskwatim Worker/Family Survey, Newsletter Delivery



\*LEONA LINKLATER Community Liaison Worker, Wuskwatim Worker/Family Survey, Newsletter Delivery



\*CONRAD MOORE Community Consultant PDA Review



\***DENNIS HOBDEN** Journeyman Carpenter at Wuskwatim Village

\* Some of the over 230 NCN Members who have worked in Wuskwatim spin-off jobs.

## Wuskwatim Indirect Employment – Part time and Casual

### Training and Building Skills...

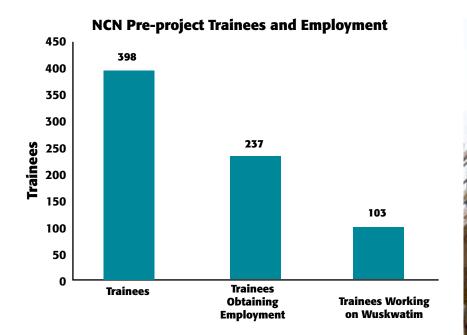
## NEARLY 400 NCN MEMBERS HAVE PARTICIPATED IN WUSKWATIM-RELATED TRAINING PROGRAMS WITH A JOB PLACEMENT RATE OF 60 PERCENT

Since 2001-2002, 398 NCN trainees have successfully completed 689 training programs. As of March 31, 2010, 237 NCN Pre-project Trainees had found employment, and up to January 31, 2011, 103 had been employed at Wuskwatim. This represents a job placement rate of about 60 percent with about 43 percent obtaining employment on Wuskwatim.

The Wuskwatim Project Development Agreement provided job training initiatives for NCN Members in the areas of designated trades, project supports, non-designated trades and professional and business skills. In addition, training was provided for educational upgrading, life skills and a series of short programs. Educational upgrading and life-skills training activity was a requirement for entering many job-training programs. A total of 184 NCN Members began these training courses but only 72 completed training: 42 in educational upgrading, 14 in life-skills only and 16 in short programs.

## NON-DESIGNATED TRADES MAINLY INVOLVED IN EARLY PARTS OF PROJECT

Non-designated trades training involved 71 Members including 33 as truck drivers, 14 as heavy-equipment operators and 22 as skilled labourers. These occupations involve shorter training programs and no apprenticeship requirements. The most intensive use of these skills was in the early days of the project for road and work-camp construction.





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#### **PROFESSIONAL AND BUSINESS TRAINING POPULAR**

The professional and business training programs attracted 39 Members, with 21 taking professional and 18 taking business and management training.

#### **DESIGNATED TRADES TRAINING MOST DEMANDING**

Among job training activities, Designated Trades required the most demanding training that usually involved apprenticeship programs. In total, 82 NCN Members entered apprenticeship programs although 26 Members later cancelled. Of those who continued, 34 required pre-employment training.

Carpentry was the most popular trade with 42 Members entering the apprenticeship program. Ten apprentices are now certified with 18 still actively pursuing their certification. Fourteen Members cancelled. Eighteen Members entered the electrician apprenticeship program with two now certified, nine still active and seven cancelled. Ten Members entered the plumbing apprenticeship program with seven actively pursuing their certification and three cancelling. Two Members entered the welding program and are now certified.

In total, the program has certified 10 carpenters, two electricians and two welders, with 36 apprentices at various stages of the four-level apprenticeship programs.

#### PROJECT-SUPPORT TRAINING HELPS KEEP CONSTRUCTION CAMP RUNNING

Of five project-support training areas, NCN Members have only been active in two, with 11 Members completing caterer training and 12 completing the security guard training.



### More Than Jobs...

## **WUSKWATIM PROVIDES OTHER BENEFITS**

Although many measure Wuskwatim's success only in the number of jobs held by NCN's Members to build the generating station and transmission line, the broader and longer-term benefits will be the real measure of its value. Here are some examples.

#### 🍯 Training

NCN acquired the \$8.5 million Atoskiwin Training and Employment Centre of Excellence to provide training for Wuskwatim and other skill needs. ATEC should become a long-term legacy that will give NCN Members the opportunity to acquire job training right in their home community.



#### Direct Negotiated Contracts, New Companies and Joint Ventures

Since the beginning of the Project, NCN has been able to obtain direct negotiated contracts valued at \$100 million to undertake specific project operations. These include road construction, catering, security, counselling and others. These contracts provide jobs for NCN Members along with income for the First Nation.

NCN's Meetah Building Supply Company, established before Wuskwatim started, provides most of the building materials for the Wuskwatim project. As a result of this success it has expanded with a franchise in Onion Lake, Saskatchewan and is exploring others in Manitoba, British Columbia and Ontario.

To take advantage of other project activities, NCN was able to create joint ventures with companies like Strilkiwski Contracting Ltd. to undertake road construction, Sodexo to provide catering and camp maintenance services and Northern Laundry of Thompson to provide laundry services to the Wuskwatim Camp. These joint ventures provide jobs to NCN Members and revenue to the First Nation.

NCN has also created its own environmental monitoring company Aski'Otutoskeo Ltd. (AOL), to provide services as a contractor to Manitoba Hydro and other monitoring companies working on the project.

#### Revenue, Financial Resources and Economic Independence

The PDA has already provided direct and immediate revenues such as the \$5.7 million in adverse affects payments held in the Taskinigahp Trust. After the first fiscal year of Wuskwatim operations, NCN will receive annual water rebate revenue based on its chosen investment and ownership level. Depending on the financial results of operations, NCN will receive annual dividends, or be entitled to a dividend loan payment if the minimum







dividend is not attained in any one year. Future revenues will depend on the financial success of Wuskwatim operations and NCN's ownership percentage.

#### 🍯 Infrastructure

Besides the ATEC Centre that provides community resources beyond training like the Internet café, the PDA has provided funding for docks, trails and safety cabins in the Wuskwatim area for use by resource harvesters.

#### 🍯 Cultural Resources

The Wuskwatim project has also provided several cultural resource benefits. The PDA agreement provides funding for preserving and interpreting the legendary Wesahkechak Footprints that are part of Nisichawayasihk history and mythology after the original location was submerged following the Churchill River Diversion.

NCN received funding to restore and enhance the historic Wuskwatim Village including the addition of an octagon centre for activities, a cookhouse and cabins. The Counselling Program at the Wuskwatim camp is designed and run by NCN under contract and is heavily oriented to promote understanding of NCN's Aboriginal traditions as a means of strengthening harmony among workers of different backgrounds working on the project.

#### 🍯 Knowledge and Experience

Since Wuskwatim discussions began in the 1990s, NCN's leadership has acquired broad and valuable knowledge and experience negotiating large and complex business partnerships with resource extraction companies. As a first-of-its-kind partnership with a utility, NCN is in the forefront of negotiating such projects and has acquired expertise that can benefit us in future business projects.

Through training and on-the-job experience, NCN Members have gained valuable knowledge, skills and on-the job experience that will serve them well in the workplace.







Could We Have Done Better?

## NCN'S SMALL WORKFORCE AND LIMITED TRAINING HAS BEEN A BARRIER TO REALIZING SOME WUSKWATIM OPPORTUNITIES

#### NCN'S LIMITED ELIGIBLE WORKFORCE

Obtaining current and reliable statistics about NCN's population and the numbers of Members employed, unemployed or available for employment is difficult. INAC provides information monthly on the number of Members, and whether they live on or off reserve, but collects no other information such as employment status. The most comprehensive information available is the census data collected every five years, most recently in 2006 the year Wuskwatim construction started. But it only collects information by community, so it doesn't count Members living away from Nelson House. Some people, however, say the census is not accurate.

Despite its limitations, census information can be useful in a general way to show that NCN's eligible workforce to work on Wuskwatim is not large.

Just over 2,700 of NCN's over 4,500 Members currently live in Nelson House. The 2006 census data shows that the working-age population (15 – 65) was about 1,120. Of those, only 470 were shown to be in the labour force, when the project started,



meaning they either had jobs or were looking for work. Of the 470, 350\* were identified as already employed with the remaining 120 identified as unemployed (26.6 percent). The remaining working-age population of 725 people were identified as not being in the labour force, which includes those who might like to work in the future but were not looking for work at the time.

Considering only 120 NCN Members were listed as unemployed in 2006, the 326 NCN Members who have worked on the project up to January 31, 2011 appear to have shifted NCN's labour force in several ways. NCN employees on Wuskwatim may have come from: NCN Members who do not live in Nelson House, unemployed NCN Members, employed NCN Members, employed NCN Members, employed NCN Members, employed NCN Members who found better jobs on Wuskwatim and NCN Members who were attracted into the labour force by Wuskwatim jobs.

#### NOT ALL MEMBERS ARE INTERESTED IN WORKING ON WUSKWATIM

Many have jobs they like elsewhere with skills or job aspirations that are not applicable to Wuskwatim.

For those who were interested in Wuskwatim employment, many of the early project jobs required limited

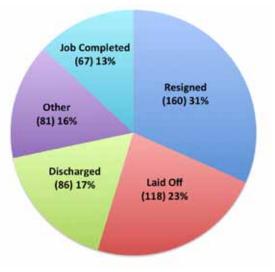
\* A unofficial survey conducted in February 2011 of all companies and organizations in Nelson House indicated 372 individuals are employed by those organizations in the community.

experience or short-term training which made some jobs more easily available for NCN Members. Once the early stages of the project requiring those skills (such as road construction) were complete, those jobs ended and those same skills may not be required again on the project.

#### NOT EVERYONE STAYS WITH THEIR JOB TILL THE END

Those who find the work too physically demanding, or have other reasons such as health issues, family emergencies, or finding other opportunities may quit early (and no one can force them to stay). Since the project started, 160 NCN Members working on the project have resigned which at 31 percent is almost one in three of those hired. If no other NCN Members are interested in or available to fill those jobs, non NCN Members have to be hired as WPLP wants the project to finish on schedule. Another 17 percent were dismissed from their jobs, which indicates they were unable to meet requirements.

#### **Reasons NCN Workers Left Jobs**



## What's Next?

## WHAT ABOUT THE UPCOMING YEAR AND THE FUTURE?

### THE CURRENT PROJECT PHASE REQUIRES ADVANCED TRADE SKILLS

The current project phase requires more advanced trade skills with longer-term training and on-thejob experience, which many NCN Members may not have. This was predicted long before the project started.

NCN Members who enrolled in trades training through ATEC

(created in 2003) or elsewhere before the project started could potentially have completed the schooling and obtained on-the-job experience and training to make them eligible for Wuskwatim's skilled-trades jobs. Those who enrolled later, or are currently interested in a trade, would not likely obtain the training and experience to make them eligible for employment before the project ends. Currently, NCN Members working on the site are in jobs that will continue to the end of the project construction (for example catering and security). NCN is currently working with Hydro to consider employment opportunities for the operations phase.

### SOME EMPLOYMENT POSITIONS WILL BE AVAILABLE ONCE WUSKWATIM IS BUILT

Once Wuskwatim is fully operational, staff will be needed to operate and maintain the facility. Several of the positions will require specialized or technical skills, but other positions of a less technical nature will also be available. The number of employees required and the organizational structure are not yet finalized, but based on experience at Hydro's other generating stations, the types of positions available would likely include:

#### Technical/Specialized Jobs

- Plant Manager
- Plant Supervisor
- Work Planner
- Plant Engineer
- Engineering Technician
- Electrical Technicians (likely a few positions)
- Mechanical Technicians (likely a few positions)

#### Non-Technical Jobs

- Administrative Representative
- Store Keeper
- Utility Workers (likely a few positions)
- Security
- Catering

### STEPS IN PLACE TO ENSURE LONG-TERM EMPLOYMENT WITHIN HYDRO

The Wuskwatim Project Development Agreement (PDA) has provisions for providing opportunities for NCN Members in Manitoba Hydro's operational workforce across the province. These are not Wuskwatim construction jobs but part of the more than 6,000 jobs Hydro maintains throughout the province, such as those in its head-office building on Portage Avenue and at the many generating stations and other Hydro operations in the province.

Currently 14 percent of Hydro's provincial workforce is Aboriginal. As of December 31, 2010, 17 NCN Members were actively employed by the Corporation. This number includes employees who self-identify as NCN Members. It does not include summer students or temporary positions that were not active as of this date.

The PDA Review identified operational future employment as a priority and the resulting PDA Supplementary Agreement contains specific provisions to fund Phase I operational employment activities.

Hydro generally employs a technically skilled workforce, so NCN Members will either have to have those skills or take training. To determine community knowledge and skill levels among NCN's population, a survey of all NCN Members will be conducted to assess their educational levels, aptitudes and interests.

Four additional NCN Members will be hired to conduct the survey over the next 12 to 18 months. Phase II will be negotiated to develop a plan to identify employment opportunities for NCN Members and how they can access them. This plan will be funded and implemented for a period of nearly twenty years.

## NCN Success...

#### JUST SOME OF THE OVER 300 NCN MEMBERS WHO HAVE BEEN EMPLOYED AT WUSKWATIM OR WUSKWATIM-RELATED JOBS



DANIEL DUMAS, Electrical Apprentice, Sodexo



**BLAINE PRINCE,** Production Chef, Sodexo



DENNIS BUNN, Assistant Maintenance Manager, Sodexo



KRISTEN DYSART, Head Commissary Attendant, Sodexo



SUSAN KOBLISKI Cultural Coordinator, Wuskwatim Implementation Office



**CHARLIE JOE HART** Employee Liaison Officer, Wuskwatim Implementation Office



DONNA MOORE-LINKLATER Community Consultant, PDA Review



OTHMAR JOOS, Lead Hand Labourer, Sodexo

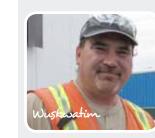
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CANDACE LINKLATER

Financial Administrator, Sodexo



Red Seal Carpenter, O'Connell-Neilson-EBC Partnership



**BILL YETMAN** Environmental Inspector, Manitoba Hydro



JEFFREY MCKAY Water Treatment Plant Operator, Sodexo



2010 ETHINESEWIN ENVIRONMENTAL AND SOCIO-ECONOMIC MONITORING 2009 ETHINESEWIN ENVIRONMENTAL AND SOCIO-ECONOMIC MONITORING





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