

NORTHERN RESOURCE TRUCKING

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Northern Resource Trucking (NRT) is a true partnership that developed in response to the need for the uranium mines to provide benefit to the people of northern Saskatchewan where they mined. Originally, it started with Trimac Transportation and the Lac La Ronge Indian Band through its economic development branch, Kitsaki. The Chief and Council of the Band recognized an opportunity to provide transportation to the mine sites, but they lacked the experience and capital to provide the level of service and safety that the mines required. Trimac Transportation knew that they could provide the trucking services, but being a Southern company, would not be in the running for the contracts available.

Kitsaki bought in with 51% ownership, and Trimac had 49%. The partnership proved successful. Trimac provided the experience in trucking and Kitsaki provided the knowledge and ownership of the North. A training program was established to provide the training and experience from Trimac to the members of the band, and NRT began.

The competitive nature of the trucking industry made it difficult for NRT to meet the goal of training and developing northerners while providing the lowest price for transportation to the mines. Since Cameco, the uranium mining company NRT originally hauled for, had an interest in delivering benefits to the north, NRT's proposal to broaden its base of ownership, in return for a longer-term contract was accepted. In 1994 Northern Resource Trucking Limited Partnership (NRTLTP) was formed when

Kitsaki and Trimac sold 41% of NRT to other northern Aboriginal and Metis communities. NRTLTP's ownership now consists of:

- Lac La Ronge Indian Band 30%
- Trimac Transportation Systems. 29%
- First Nations of Black Lake,
Hatchet Lake and Fond Du Lac 20%
- Clearwater Dene Nation 3%
- English River First Nation 3%
- Community of Buffalo Narrows 3%
- Community of Ile a la Crosse. 3%
- Montreal Lake Cree Nation 3%
- Peter Ballantyne First Nation 3%
- Community of Cumberland House 3%

Because NRTLTP has 71% northern ownership dividends from the company's profitable operation flow directly to northern communities. The initial cost of the investment was set up as a loan to for each of the respective development corporations, and has been paid back directly through the profits of the company. This process enabled northern groups with little or no money to make a major investment that would give them access to jobs and dividends.

In addition to their return on investment, northern communities have access to well paying jobs that allow people to remain, if they choose, in their home communities. Since 1994 NRTLTP has paid over \$34,000,000 in wages, salaries and leased operators payments to residents of Saskatchewan's North. These wages tend to be spent in their home communities. This allows further economic development at the community

level because there is more money available for service sector businesses to start up. This is a very important aspect of community development and NRTLTP has been proud to contribute to the process.

Another benefit to the north is that NRTLTP purchases fuel, meals and hotel rooms in northern communities. This in itself will not be enough to start new businesses but it certainly gives existing businesses a boost.

Positive examples of Aboriginal people succeeding are valuable. In NRTLTP we have First Nations and Metis communities partnering with North America's largest bulk transportation company to do business with the world's largest publicly traded uranium mining corporation. The prestige of being involved in NRTLTP gives northern aboriginal groups role models for their people and allows them better access to financing for other ventures. If an Aboriginal group can show its banker a successful business venture, with a partner like Trimac, doing work for a customer like Cameco, it enhances their profile and gives them credibility. NRTLTP is the type of partnership that will allow further participation in the economy for northern Aboriginal people. This is of tremendous benefit in a province like Saskatchewan, where the growing Aboriginal population has to be integrated into the economy or we will face dire economic consequences.

Another direct benefit of participating in NRTLTP is our training program. Since 1994 NRTLTP has trained over 90 northerners and spent over \$1.4 million in this process. Our training program takes people who have no qualifications other than a desire to be a truck driver and gives them the training necessary to achieve their goal. The process takes over one year, starting with a 7 week course to attain a Class 1A license. Then there is a 10 month, in cab, training period where the trainees drive with leased operators or company drivers and learn to handle the various commodities that NRTLTP hauls. After achieving proficiency the trainees become Junior Drivers. They then have to drive by themselves for another 6 months or until they achieve the desired level of proficiency. Once the final certification is achieved the successful Junior Driver becomes a certified driver and is eligible to become a leased operator, company driver or leased operator driver.

Our focus on trainee retention has changed over the years as opportunities for the people of our communities have grown. We are hard pressed to compete with the wages in the mining and petroleum sectors, however we have provided a solid base of knowledge and experience that our trainees can use to move ahead. Many other companies, including those in the mining sector, the Department of Highways and the RCMP, have recognized the value of our training program. NRT trainees have become a sought after commodity, which in itself is of value to our partnership. Even if trainees didn't stick with NRT, the training they received was valuable and they are earning a wage and contributing to the economy. Putting people into the marketplace with a new skill is a victory for our partners and a direct benefit to the north.

The formation of NRTLTP heralded a new era of cooperation between northern communities and the mining industry. NRTLTP has given northern communities a chance to benefit from the mining development going on around them and has given them a vested interest in that development. It has allowed mining development to proceed without some of the blockades that affected the forestry industry.

The reason that the mining industry was allowed to develop free from some of the problems that beset the forestry industry is because most of the communities in the north received a direct benefit from the uranium mining industry. Through community ownership, NRTLTP has been able to deliver direct benefits to northern communities.

The reason behind NRT's success is that it is run as a trucking company. It is privately owned, and profitable. Without profit, NRT fails. Nobody would get trained, no benefits would go to the partners, and it would cease to be a trucking company. NRT cannot provide work that is not sustainable, or training that is not viable, and it must operate under the same basic principles of any other trucking company. While it is a community owned company, the expertise that has been developed has been in trucking, not in community or economic development. The economic development lessons have been learned by our partners, and have been expanded and honed in even more limited partnership ventures.