

MANITOBA'S HYDRO EMPLOYMENT PROGRAM FOR NATIVE NORTHERNERS

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INTRODUCTION

In February of 1985, the Honourable Wilson Parasiuk, Manitoba's Energy Minister, announced that an agreement had been reached between the Hydro Project Management Association and the Allied Hydro Council of Manitoba to establish employment policies for the construction of the Limestone Generating Station on the Nelson River. An integral component of the agreement was conditions for hiring, firing, lay-off and recall that would, in Parasiuk's words, result in the employment of northern Native people "on a scale never before seen in Canada."¹ The purpose of this paper is to examine the essential ingredients of this employment policy within the context of the previous hydro construction employment experiences of Northern Manitoba Native people.

MANITOBA'S NATIVE EMPLOYMENT RECORD

Given the past record of hydro utilities in Canada in employing the Native people who inhabit the regions in which dams are being constructed, it should not be difficult for the Manitoba Government to hire Northern Natives on an unprecedented scale. The simple fact is that, in the past, Native people have typically filled only the lowest paying, short-term positions in hydro construction, those requiring the least skills, and they have rarely received extensive, certifiable training.² The Manitoba Government's hydro employment record is similarly poor. Two major northern hydro construction projects have been undertaken by Manitoba Hydro: the Grand Rapids Dam, completed in 1964, and the Churchill-Nelson River Hydro Project, Phase One (Churchill River Diversion, and Lake Winnipeg Regulation), completed in 1976. In both cases, Native employment was minimal. Evidently, the new employment program aims to overcome the problems associated with these past projects.

Although data on Native employment is sketchy, we know enough of Manitoba's past record to conclude that a new policy was definitely needed. Specifically examining the Churchill-Nelson River Hydro Project, Rothney and Watson recorded that, in 1974, of the 860 employees working on the Churchill River component, only two hundred, or twenty-three per cent, were considered to be "northern residents," which would include both Natives and non-Natives.³ Employed on the Lake Winnipeg Regulation component were 360 "northerners"⁴ in a work force of 1385, constituting twenty-six per cent. Overall, at five major construction sites in September of 1975, employment of northern Natives by Manitoba Hydro and private contractors totalled 399,⁵ or twelve per cent of the total work force of 3,307.

A closer examination of the employment patterns of Native people in one particular community in the north is more revealing. For the residents of Pike Lake,⁶ hydro employment was a core component of a package of benefits they were to receive as a result of the construction of the Churchill-Nelson River Hydro Project. In actual fact, the employment of these people was sporadic, involving little formal training in construction skills, and concentrated at the lower end of the pay scale. Furthermore, many of the promised jobs were not actually on the construction of the hydro facilities themselves, but on other related aspects, in particular the clearing of shorelines and landing sites, and housing and community infrastructural development. Most of the training programs were related to the latter and were generally unsuccessful.

Fifty-two Pike Lake residents who had found some employment were interviewed by the author in 1981 and 1982, and a total of fifty-six different jobs were defined. Of these fifty-six, thirty-three jobs (fifty-nine per cent) involved clearing brush from shorelines and cutting landing sites, and only sixteen jobs (twenty-nine per cent) were in general construction activity. Only three men reported receiving any special training. During the six year period in which periodic employment was offered to the residents, the average duration of employment was only 10.7

weeks. When the hydro project was completed in 1976, the residents of Pike Lake who had been employed were now left with no other employment options but to return to their pre-project economy of hunting, fishing, and trapping, supplemented by occasional wage labour.

A few other points need to be made with respect to the Pike Lake case. Firstly, many residents abandoned or curtailed their activities in the commercial and domestic sectors of the economy in order to be available for hydro employment when the call was issued. With forty-eight hours to report, it was extremely difficult for trappers or fishermen to hear of the call, pack in their operations, get back to the community and then on to the construction site. Therefore there was a tendency for men to linger about the community waiting for the employment call, which in some cases never came, and which in other cases never led to the employment of all those who were waiting. The result was a loss in income that could have been generated in the commercial and domestic sectors of the economy. Secondly, as of 1985, none of those men interviewed holds a full-time job, and only a few work occasionally in a capacity even remotely related to their hydro employment activities. Evidently, the hydro project did not result in the development of productive economic activities to sustain the labour force after the construction period ended.

The experience of the Pike Lake people with the Churchill-Nelson River Hydro Project provides a useful background for an examination of the Manitoba government's new employment program.

MANITOBA'S LIMESTONE NATIVE EMPLOYMENT POLICY

Construction on the Limestone Generating Station officially commenced on 10 September 1985, two years ahead of schedule. It has been speculated in the media, and amongst Opposition members of the Manitoba Legislature, that the project's accelerated work schedule represents an attempt by the NDP⁷ Government of Howard Pawley to bolster its political fortunes. With an election only two years away, a project such as Limestone, with its enormous potential for job creation, seems quite timely. It has

been estimated that over the six year construction period the Limestone facility will create six thousand person-year jobs directly, and as many as eleven thousand person-year jobs indirectly.⁸ Nonetheless, critics have been quick to point out that Manitoba presently has a surplus of energy, and that the power from Limestone will be used primarily for export sales to the United States.⁹ The accelerated work schedule does not allow for a proper assessment of the project's utility and impacts.

The new employment policy announced by Parasiuk represents an attempt to avoid the "grub-stake mentality" associated with previous hydro construction, which concentrated on bringing in southern professional labourers at high cost.¹⁰ Thus, employment quotas have been established for northern Natives in various job categories.¹¹ Some of these quotas are presented in Table One. Clearly, the emphasis of the employment program is on job training and certification, with the most substantial part of the northern Native labour force being involved at the apprenticeship and trainee stages. This thrust reflects the present low level of skill certification among this labour force. These quotas are to be achieved through implementation of specific employment policies concerning hiring, firing, lay-off and recall. Basically, northern Natives should be the first hired and last fired, although the actual program is somewhat more complicated. An examination of the hiring procedure will serve as an illustration.

Contractors, required to adhere to the employment policy, must place their job order requests with the Canada Employment and Immigration Commission (CEIC), which will in turn refer to the contractor "job qualified candidates" who are registered with CEIC Candidates will be referred according to the following sequence:

1. any northern resident of Native ancestry¹²
2. if job vacancies remain, any northern resident not of Native ancestry who is a member of the appropriate union
3. if job vacancies still remain,¹³ any other northern resident not of Native ancestry.

Subsequently, if job vacancies still remain, southern Manitoba residents, followed by non-residents of Manitoba, will be referred. Lay-offs and recalls will work in the reverse order, with northern Natives again being given preference.

Table One: Native Employment Quotas

<u>Trade</u>	<u>Classification</u>	<u>Percent of Goal</u>	
		<u>1986</u>	<u>Subsequent Years</u>
Labourers	All Classifications	45	45
Security Guards	All Classifications	30	35
Carpenters	J	10	15
	A	60	60
Millwrights	J	No Demand	10
	A	No Demand	60
Ironworkers	J	10	10
	A	60	60
Electricians	J	10	10
	A	60	60
Office Workers and Surveyors	NT	15	15
	T	60	60

Classifications

J - Journeyman
 A - Apprentice
 NT - Non-Trainee
 T - Trainee

SOURCE: Manitoba Hydro, Nelson-Burntwood Collective Agreement.
 Letter of Agreement No.II. (Winnipeg:Manitoba Hydro).

Employment preferences for northern Native people will remain in effect as long as the quotas for each trade classification are not reached. Once a trade quota is reached, the program becomes inoperative for that trade classification for a four-month period, after which an assessment of the quota is undertaken. If the level of northern Native employment has fallen below the quota, the program becomes operative again. Monitoring of the program will be done by a "Northern Resident Employment Committee."

Individuals referred by CEIC will have seventy-two hours to report to the project site (as opposed to the forty-eight hours on previous projects), unless other arrangements have been made. All employees will be required to become members of the appropriate union. The Agreement contains clauses whereby special employment measures may be implemented to circumvent those of the Agreement, particularly in the case of retaining highly skilled non-Native workers over lesser skilled or apprentice Natives when lay-offs occur. Ostensibly this is to avoid serious disruptions in the work schedule. Employees are to be provided with "isolation leave," six days out for every sixty days worked.

ANALYSIS OF THE EMPLOYMENT PROGRAM

The program is obviously designed to ameliorate the problems evident in the employment of northern Natives in past hydro construction projects. To this end the Manitoba government has taken some important steps. First and foremost is the very fact that they have an agreement, with the consent of the many trade unions that will be involved, and which binds the contractors to the program. With the large number of trainees and apprentices to be employed, employment costs will likely be higher for these contractors, and the project as a whole will be that much more expensive. Presumably, the Manitoba government has weighed this increase in costs against the perceived gains to be made by training northern Native people. In the long run, a more productive northern Native labour force will reduce other costs to the province, such as social assistance and job-creation, and increase gross provincial income through productive economic activity. Nonetheless, in some ways the Manitoba government is taking a risk with this program, since enormous cost overruns on hydro projects that employ southern professional labour are common,¹⁴ and there likely is a limit to the financial mismanagement of another hydro project that the Manitoba electorate will tolerate.

Even though the existence of the program itself is commendable, there are still some problems, and many unanswered questions. There is an underlying assumption that northern

Natives are highly mobile, or at least as mobile as the southern professional labourers with whom they will work. The two labour forces are not comparable, since these southern professionals are by definition highly mobile, moving from project to project. In contrast, northern Native people have not demonstrated such mobility. The seventy-two hour preference clause for hiring, despite the extension from forty-eight hours, is an insignificant change. It would still be extremely difficult for a trapper or a fisherman to close out his operation, return to the community, pack, and travel to the construction site in the allotted time. It is quite likely that those individuals who register with CEIC will, as in the case of Pike Lake, wait around their communities for an employment call which may or may not come. Their commercial and domestic economic activities will suffer as a result. Further, a construction employee who is laid-off in the middle of the trapping or fishing season will not likely have time to get his operation under way so as to make the effort worthwhile. What northern Native people need is a precise construction schedule, in which they know well in advance when they will be needed, and for how long. This would permit planning for those in the trapping and fishing sector.

The work schedule also contains some problems. With a sixty-day on, six-day off schedule, it is clearly designed with the southern professional labourer in mind. These individuals are more familiar with being separated from their families for long periods. In contrast, among northern Native people loneliness and homesickness are major reasons why they often prematurely terminate their employment in distant centres to return home. A shorter work period, with longer breaks in the home community, are required to prevent a high turnover rate.

The employment program also brings to mind many questions. For instance, to what extent will the special employment clauses which circumvent components of the Native preference scheme be invoked? If the project falls behind schedule, as is common in projects of such magnitude, contractors might want to change or circumvent the agreement. The use of a large number of apprentices, especially if there is a high turnover rate, could prove

very costly. Other questions concern the effectiveness of the CBIC to register and refer Native job candidates, and the effectiveness of the various training facilities in attracting individuals to their programs. While the Pike Lake situation may not be typical, in the summer of 1985 residents there seemed to have little knowledge of the employment program, and many were very sceptical that they would receive training and employment. Serious problems in communicating the necessary information concerning the employment program have developed. Moreover, the success of the training programs is crucial to the overall employment program, since only "job qualified" candidates are to be referred. If these training programs are unable to produce "job qualified" candidates expediently and in sufficient number,¹⁵ the bulk of the employment positions will fall to non-Natives.

Finally, it should be noted that no provisions as yet have been made to employ this newly-trained Native labour force once the Limestone facility has been completed. It has been estimated that no more than forty permanent jobs in the whole province are to be created.¹⁶ It is highly unlikely that many of these skilled Natives will move on to the next project, wherever that may be, as their non-Native counterparts will. These individuals will return to their communities with new skills and aspirations, likely to discover that little employment awaits them. This is a very serious problem. A skilled, but unemployed, labour force may be little better than an unskilled and unemployed labour force. In fact it may be worse for those skilled individuals because a return to fishing and trapping may no longer be palatable.¹⁷ Therefore, it is absolutely essential that the Manitoba Government begin immediately to develop employment opportunities for these people in their communities and throughout the north.

CONCLUSION

The success of the Manitoba Government's Native employment program broadly hinges on three things: the quality and effectiveness of the training programs; the establishment of a working environment satisfactory to the Native employees; and the avail-

ability of productive employment opportunities for these trained employees when the Limestone facility has been completed. All of these are unknown factors at this time. The implicit assumption that northern Native people will behave in a manner similar to the southern professional labour force may be the program's downfall in the final analysis. In attempting to improve on the previous employment record of Native people, the government has failed to come to grips with the reality of northern Native life. It remains to be seen if the present employment program will provide viable new opportunities for northern Native people, or be a continuation of the unsatisfactory programs of the past.

NOTES

¹ Fred Cleverley, "North Gets Job Priority," Winnipeg Free Press, 8 February 1985.

² P. Douglas Elias, Certain Employment Patterns in the Northern Manitoba Industrial Sectors of Hydro Construction, Forestry, Mining and Provincial Government Administration (Winnipeg: Manitoba Planning Secretariat, 1975), p.125.

³ Russell Rothney and Steve Watson, A Brief Economic History of Northern Manitoba. Macro Data and Historical Review Work Group. Northern Planning Exercise. (Winnipeg: Manitoba Department of Northern Affairs and Resources and Economic Subcommittee of Cabinet, 1975), p. 108.

⁴ Rothney and Watson, p. 108.

⁵ Federation of Saskatchewan Indians, Aski-Puko (The Land Alone). Report on the Expected Effects of the Proposed Hydro-Electric Installation at Wintego Rapids Upon the Cree of the Peter Ballantyne and Lac La Ronge Bands. (Regina: Federation of Saskatchewan Indians, 1976), p. 361. These data are not necessarily inconsistent with those for 1974 since hydro construction employment is notoriously unstable. The work force typically fluctuates extensively over relatively short periods.

⁶ "Pike Lake" is a pseudonym.

⁷ The Globe and Mail, 11 September 1985.

⁸ John Loxley and George Churchman, "Is Limestone a Lemon? Manitoba Mega Projects," Canadian Dimension, 19, No.2 (1985), 5.

⁹ Loxley and Churchman, p. 5.

¹⁰ Cleverley, p. 7.

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Manitoba Hydro, Nelson/Burntwood Collective Agreement.
Letter of Agreement No. II. (Winnipeg: Manitoba Hydro, 1985).

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According to Article 13 of the Agreement, a "Northern Resident" is an individual who resides north of a boundary line representing that part of Census Division 19 north of the Winnipeg River and all of Census Division 16. Furthermore, individuals must have resided in this northern region for an accumulated period of at least five years, and have been resident for a period of six months immediately prior to initial hiring. Ironically, this would effectively exclude northerners who migrated south in previous years in search of employment. Now that some opportunities may be available in the north, they find themselves ineligible.

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Manitoba Hydro, Article 5(i).

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Manitoba. Commission of Inquiry Into Manitoba Hydro.
Final Report (Winnipeg, 1979). This report states that: "Costs of both LWR [Lake Winnipeg Regulation] and CRD [Churchill River Diversion] were consistently underestimated by Hydro with a carelessness ranging from reckless to irresponsible" (p.17).

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As Loxley and Churchman have written, "The major concern that northern and especially native northern people have about the Limestone project, is that it is being speeded up so much that they may not have sufficient time to take advantage of the employment, training and business opportunities it offers." Loxley and Churchman, p. 6.

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Loxley and Churchman, p. 7.

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See, for instance, Gurston Dacks, A Choice of Futures (Toronto: Methuen, 1981), p.20, who writes: "The wage economy can also undermine the traditional economy by enticing natives to work on megaprojects that turn out, as in the case of the Rankin Inlet mine, to last only a few years. These native people may find it difficult to return to traditional employment and may be relegated to a life of welfare in the towns to which they have been attracted, but which offer them few employment opportunities."