

3 Employment and Manpower Delivery

The Pipeline Guidelines call for an employment system that would give northerners, particularly native people, preference in obtaining employment during the construction of the pipeline. Such a preference is based on the assumption, which the government has followed during the past decade or more, that northern native people should be encouraged to take wage employment on large-scale industrial projects.

The native people have not entered industrial employment in large numbers. The reasons for this were set out in Volume One. Suffice it to say that the industrial system has presented native people with a wide range of conflicts with their own land-based economy. In Volume One, I proposed a series of measures by which these conflicts could be mitigated, and by which a diversified northern economy, based on both renewable and non-renewable resources, could be established.

In Volume One, I also commented on the contradictions that are implicit in the government's policy on employment, and on the statistical and analytical mistakes on which it is based. In this chapter, I deal with the question of employment at two levels. Because of the broad thrust of the evidence placed before this Inquiry and because of my own apprehension that the experience of the native people with the industrial system has not been adequately understood, I feel compelled to comment here on some of the fundamental problems that affect northern employment. They in turn lead to specific recommendations regarding manpower delivery and the principles on which any manpower delivery system should be based.

We are, of course, considering the construction of a pipeline that is not going to be built immediately but may well be built ten years in the future. When the time comes to build it, no doubt many of its technical characteristics will have changed, and its construction will require a different mixture of labour and capital than it would require today. Such a change would alter the demand for labour, including northern labour. If, as I have recommended, the development of renewable resources is given priority, then the supply of local northern labour available for pipeline work might decrease considerably. That result is greatly to be wished for: my thesis throughout has

been that we should create the conditions that would enable the native people to strengthen the renewable resource economy in the North and thereby reduce their vulnerability to the social and economic stresses that industrial employment has, in the past, visited upon them.

There is a strong possibility that even the most careful forecast of labour supply and demand will not prove reliable over time. The following analysis therefore uses present-day information on the construction of pipelines, on the kinds of labour required, and on the quality and availability of northern labour. This is the best information we have; but it will have to be updated in the future.

In Volume One, I estimated that the present population of the Mackenzie Valley and Western Arctic is about 30,000, consisting of approximately equal numbers of native and white people. Ten years from now, this population may have increased considerably. But the proportion of the total population, or more accurately, of the total labour force, that will want jobs on the pipeline is difficult to predict. I would suggest that only a small part of the permanent white population of the North will not already be fully employed. Some of them may wish to work on the pipeline, but I think that most of them will prefer the security of the jobs they have to the possibly more lucrative, but certainly (for them) short-term jobs the pipeline may offer. If there is a negotiated settlement of native claims, and if the renewable resource economy is successfully developed and enlarged before the pipeline is built, then it seems unlikely that a large number of native people would want pipeline jobs, or would feel compelled to take them because they had no other means of livelihood. Thus the underlying rationale for widespread recruitment of native people on pipeline construction will, I hope, no longer apply. This will mean that the number of native people who will be working on the pipeline if it is built in ten years' time will be considerably less, as a percentage of the work force, than we would expect to see if the pipeline were built today.

The Demand for Northern Labour

Government and industry have placed considerable emphasis on the effect the pipeline could have in solving the problems of unemployment and underemployment in the North. How much employment could the project provide to northern residents? Could such employment help northerners, particularly native northerners, to obtain careers as skilled tradesmen or industrial workers? Could it provide them with the kind of certification that would be acceptable in the labour markets of the South? Or would the pipeline employ northern residents only as short-term labour?

Arctic Gas' plans called for the construction of a pipeline along the Mackenzie Valley during four or five winter seasons, each season lasting about four months; actual pipe laying would take place during two of these winter seasons. Some additional time will be required to build compressor stations and other facilities, but this will not greatly extend the life of the project. Thus, although such employment could be beneficial to the northern resident in terms of experience, it would not go very far in helping him to meet the standards that have been laid down for apprenticeship and training. Some kinds of work associated with pipeline construction, such as skilled labourers, some classes of heavy equipment operators, and welders, do not have a designated apprenticeship period. The ease or difficulty of entry into these jobs varies considerably, but it is unlikely that native northerners could readily gain entrance into trades that require substantial experience and skill. The employment of native northerners would be largely restricted to work as unskilled labour, and such employment would bring them into the industrial economy at a relatively low level and without any prospect of permanent employment.

Many skills and trades require an apprenticeship that extends well beyond the time needed to build the pipeline and related facilities. For example, plumbers, painters and sheet metal workers require a four-year apprenticeship. Cement masons, insulators, and gasfitters require a three-year apprenticeship. In general, construction of the pipeline will not offer a period of continuous employment long enough to enable a northern resident to attain the status of journeyman. Of course, some apprentices might move south when the pipeline is completed, but the number of persons likely to do so would not be large. Some promising northern apprentices might be retained on contractors' payrolls all year round, rather than only seasonally, or they might find some related work during the off-season, but again the number of such persons will not be large.

Turning then to pipeline employment as short-term employment, as opposed to a means of acquiring a trade or a skill that would equip a northerner for permanent wage employment in the North: the project would offer short-term employment to many people. Many of the jobs on the pipeline will require low to moderate levels of skill. Les Williams of

Arctic Gas divided the total pipeline labour force into four groups. Group one represents the highest skill levels, such as those required by operating engineers, hot-pass welders and warehousemen; group two includes equipment operators, electricians and carpenters; group three includes apprentice equipment operators, welder's helpers and swampers; and group four includes common labourers and bull cooks. Williams said that 100 percent of the jobs in group one and 90 percent of the jobs in group two require extensive industrial experience. However, no extensive industrial experience was necessary for any of the jobs in the other two groups. "Extensive" has not been defined, but it seems clear that northerners who have had at least some experience of industry or wage employment could probably qualify for a considerable range of pipeline jobs.

Williams did not translate his skill categories and percentages into actual numbers in the evidence that he gave, but there is a useful breakdown, based on Arctic Gas data, in a study prepared by MPS Associates and filed with the Inquiry as Exhibit F727. MPS Associates indicate that the mix of skills in the pipeline labour force, as measured by the average number of workers required on northern spreads during the winter construction season, would consist of 2,313 skilled workers (or 56 percent of the average winter labour force), 1,280 semi-skilled workers (or 31 percent of the average winter labour force), and 536 unskilled workers (13 percent of the average winter labour force). Most of the jobs that would be available to native people are to be found in this latter category, although there could also be some jobs available in the semi-skilled category.

According to MPS Associates, there would also be an average of some 1,780 jobs available in the North during the summer, of which 211 would be unskilled and 479 would be semi-skilled. Presumably all of the unskilled jobs and some of the semi-skilled jobs would be open to native people. It is unlikely, however, that many of the 1,090 skilled jobs available in summer would be filled by northerners (MPS Associates, 1976, pp. 7-8). Neither the winter nor the summer estimates include jobs on related projects, such as the construction of gas-gathering facilities, or jobs in continued or accelerated oil and gas exploration.

Now, what about the operating phase? It is said that this phase will offer the prospect of the acquisition by northerners of long-term jobs, useful skills, and tradesman's status. But only 200 to 250 workers will be needed as permanent staff to operate the pipeline and man the northern administrative and maintenance facilities. Thus the number of northerners who can make a permanent career on the pipeline will necessarily be small. Moreover, most of the jobs associated with the operations phase require high levels of training. It is not likely that very many native people will be able to meet the high entry standards. The number of opportunities open to a particular trade at any given facility, such as a pumping station or a maintenance headquarters, is limited. Some

exceptions may be made in order to accommodate northern native people, but the young native worker who may initially have found employment at Inuvik may, within a few years, find himself and his family in Alberta – if he wishes to advance his career. In the past, native people have often rejected such a move or, if they have not rejected it, they have found adjustment to it very difficult.

In general, then, the northern labour force is not likely to figure prominently in the skilled jobs that the pipeline will provide during either the construction phase or the operating phase. Only a limited number of northerners would be in a position to use the pipeline as a first step on a career ladder; this would be especially true of native people. They might learn much about the labour market and about working in an industrial setting but, for the majority of northern workers, the knowledge and experience they may gain will not result in certification or enhanced status within the labour force.

Labour Supply Considerations

White northerners should not have much difficulty in fitting into pipeline employment. Most of them are used to meeting job-skill requirements, joining unions, and working standard industrial hours while on the job. But this is not typically the case with northern native people who come from a non-industrial culture. Only very recently have they attended schools, and, in the schools, levels of achievement have been disappointing. In terms of the requirements that prevail in the modern labour market, most young native people, and virtually all older native people, are regarded as undereducated, unskilled, inexperienced and, to a great extent, immobile.

Arctic Gas commissioned a study undertaken by the Boreal Institute at the University of Alberta on the question of recruiting native people for pipeline employment. The results of the study are of interest. Of the 8,358 residents of the Mackenzie District that this study classed as native people in 1969 (Treaty Indian, Inuit and Metis), 162 had completed grade ten; 112 had completed grade eleven; and only 118 had completed grade twelve. Only 23 people had obtained a first university degree or technical diploma, only five had gone on to a second degree or diploma, and only three had completed a third degree or diploma. (Vol. 14.f, App. D, Part I, pp. 16-21, 26, 34.) It would appear from the Boreal Institute's data that not a single person had completed a graduate university degree. In percentages, these figures mean that only 1.4 percent of the total native population had completed grade 12, and that only 0.28 percent had gone on to complete some kind of formal post-secondary training. Although the situation has improved since 1969, the levels of educational achievement by native people, when measured against those of northern whites, are still low.

The problems of the native people are all the more obvious when compared with national standards. According to

Gemini North, in 1970, 93 percent of the native population of the Mackenzie Valley and Western Arctic had attained an educational level of grade eight or less. Two-thirds of this population had no schooling at all. In Canada as a whole, in 1973, only about 30 percent of the population had attained grade eight or less, and of this number, only a very small fraction, perhaps five percent, had no schooling at all. Just over 70 percent of the national population had completed high school, technical school or university, whereas in 1970 only seven percent of the northern native population had completed high school or technical school and none had completed university (Gemini North Ltd., 1974, Vol. 2, Table 7.38, p. 723). Thus, in a labour market in which emphasis is placed on educational attainment, the native people are at a very serious disadvantage.

Yet it would be wrong to suggest that native people have no knowledge or experience that would be useful in an industrial setting. Many native people have had experience of working on exploration crews, on highway projects, and in other industrial roles. During the 1960s, many of them were involved in one of the largest projects undertaken in the North up to that time, the Great Slave Lake Railway: they worked in varied jobs, including some that required unusual powers of comprehension and skill. Before that, they had been involved in the construction of the DEW Line stations, the building of Inuvik, and in a number of mining ventures.

The problem is not, therefore, that native people cannot perform industrial jobs. It is more complicated than that. On the one hand, government and industry have, in many ways, encouraged native people to take industrial wage employment. One of the results of this encouragement has been that, in some parts of the North, many native people have been dislodged from their own economic base. On the other hand, the entry standards that government, industry and the unions have set for various kinds of jobs in the industrial and bureaucratic labour markets place native people at such a great disadvantage that they are unable to compete. They are, therefore, simultaneously drawn into a particular path and then prevented from following it. Until a more rational approach is taken toward the whole question, native people will continue to have great difficulty in participating in employment programs, and many will find it impossible to do so. In Volume One, I outlined the nature of the problem in some detail and I proposed changes in our approach to education and to industrial development in the North that would enable the native people to come to grips with the problem.

There is, moreover, a cynicism about industrial employment that will have to be overcome if native people are to work effectively on projects such as the pipeline. Many northern native people have already had wage employment, but it has rarely lasted long enough in any one locality, or paid well enough, to provide them with permanent jobs and adequate income. Such work has come and gone, at times

slowly, at times quickly, but it has never lasted. Given such experiences, people are disinclined to believe that wage employment offers greater security than their own way of life. The study prepared by the Boreal Institute says that:

A reality about employment in the North is that most job opportunities generally provide employment for periods averaging from a few weeks to about four months. Many employers pay more than the minimum wage requirement stipulated by the government (which appears extremely low relative to living costs in the North), yet fail to provide the common labourer with a living wage. Thus, one poorly paying job is seen to be as good as another and the present job is regarded as a temporary event. If consideration is given to the kinds of labouring jobs offered to the northerner, [for example] unloading cement from barges or other menial chores requiring little more than brute strength, one becomes aware of some of the reasons contributing to the formation of present attitudes toward work held by the northern labourer. [Arctic Gas Application, Vol. 14.f. App. D, Part 1, p. 54]

The prevalence of such a pattern of employment makes it difficult for northerners to form any strong or favourable impressions of such terms as "permanent wage employment" or "careers in industry." Moreover, the cyclical and volatile nature of northern industrial activity has had its effects on the employability of northern native people. Ironically, it is the northern worker, and not the erratic manner in which industrial activity has been carried out in the North, that has come to be viewed as unstable. The Boreal Institute study explains:

Part of the problem of hiring people in the North, either for jobs or for training, is that the work history (if available) of the "successful southern employee" may very well be completely different from that of the "successful northern employee." The nature of employment in the North is generally short-term and seasonal (logically following from the "boom or bust" cycle of industrial development), and thus, work history showing short periods of employment followed by unemployment are, by southern standards, not looked on as favourably as a work history of unbroken employment. It even goes deeper than this when personnel managers, concerned about lowering the labour turnover rates and thereby decreasing costs, are understandably less apt to take a chance on the person with a broken history of work than the person from the South who has a continuous work record, even though the employment opportunities in the North may well necessitate spotty employment histories. [Arctic Gas, op. cit., p. 57]

Manpower Delivery

The pipeline project, enormous by any standards, will bring to the Northwest Territories contractors that rank among the biggest in the world and which have vast assets and resources at their disposal. It will mean that, for a period of some years, major international unions will be active in the North. All of this activity will be on a scale and of a complexity that is far beyond the experience of northern people, both native and white. These organizations, both the corporations and the unions, have commitments to their shareholders and their

members — commitments that extend well beyond the North. For instance, though the unions have offered their cooperation to the development of programs for northern hire, the attitude of the unions toward preferential treatment of northerners may be expected to vary with the national employment situation in the trades they represent. It would be difficult to imagine that it could be otherwise.

Let me turn then to the question, how is northern labour to be recruited and given an opportunity, where they wish it, to work on pipeline construction? The answer is that a manpower delivery system must be established, and northern preference in hiring must be enforced. Whether a northern resident gets a fair deal with regard to pipeline employment will depend on the effectiveness of the rules that are worked out beforehand between government, industry, the unions, and the native people. Unless the rules are clearly spelled out, understood and accepted by all parties, and made known right down to the first line supervisors and union officials, a northern employment preference system simply will not work.

A new manpower delivery system should be established to handle the employment function. The task of referring persons for pipeline employment should not be given to existing agencies, such as the federal Commission of Employment and Immigration, or to the territorial government's Employment Division because they will be busy enough supplying manpower to employers other than the pipeline, and providing training and other assistance that the northern labour force will continue to require.

The function of the manpower delivery system will be to deal only with the emergency situation of pipeline construction. It should not overlap or intrude upon the responsibilities of the Commission of Employment and Immigration and the Employment Division of the territorial government. To find employment on the pipeline for northern people will require a special concentration of expertise and knowledge. During the construction period, the manpower delivery system will often have to react quickly and vigorously; that kind of reaction would be difficult if parts of the system were diffused throughout the bureaucracy or if there were jurisdictional conflicts among them. The entities with which the manpower delivery system will have to deal represent enormous power. To ensure that they do what is required of them, it will be necessary not only to lay down well defined rules but also to ensure that they can be enforced.

Those in charge of the manpower delivery system should deal directly with the pipeline company, the contractors and the unions with regard to the employment of northerners on the construction spreads and at the compressor station sites. They should have complete access at all times to the Agency in charge of the regulation of pipeline construction, so as to be in a position to call for the assistance of the Agency in securing compliance with terms and conditions established to ensure northern hire.

The Problem of In-migration

One of the most difficult aspects to plan for and control in boom economies is the large movements of population that they induce. The North American frontier has always attracted large numbers of people to relatively unpopulated regions. In cases such as the Klondike Gold Rush, most of the people left when the boom faded, but in other cases, such as the Alaskan gold rushes, a large number of people stayed to settle permanently.

David Boorkman, an urban sociologist, gave evidence on Alaskan population growth, focusing particularly on the recent growth induced by the Alyeska pipeline. The construction of that pipeline attracted many tens of thousands of migrants to the state because of three factors: the special character of Alaska as a romantic frontier, the magnitude of the Alyeska project and the widespread publicity that it received, and the prospect of obtaining high-paying construction jobs. These factors were enhanced by circumstances that arose from Alaskan legislation on local hire, by the fact that most of the union hiring halls for the pipeline were located in Alaska, and because the state did not fully enforce its legislation on local hire. Even for a region as developed (relative to the Northwest Territories) as Alaska, the population inflows were large enough to cause serious problems, which I discussed at length in Volume One.

Other population movements occurred within Alaska. Of particular note was the migration of native people from the smaller towns and villages of Alaska to centres such as Fairbanks, Anchorage and Barrow to seek jobs on the pipeline and in related work. A study undertaken by Professor Larry Naylor and Dr. Lawrence Gooding of the University of Alaska indicates that substantial numbers of native people from all parts of Alaska went to the main recruiting centres to obtain pipeline work. The distance of their home community from the pipeline did not seem to have much bearing on the numbers of migrant workers. Probably factors such as regional employment opportunities (or lack of them) and previous experience with the industrial labour market were important, but Naylor's and Gooding's material does not go into this.

In Alaska, the movement by native people between the pipeline, the larger urban centres, and their home communities, must have been substantial. The study indicated that 4,888 native persons (out of a native population of about 60,000) held a total of 20,280 pipeline jobs, which works out to an average of about four jobs per person. When one considers that some native workers would have been much more stable employees than others, a significant part of the native labour force must have been highly mobile during the period of construction.

In the evidence that Arctic Gas presented to this Inquiry, comparisons between Alaska and the Canadian North, including comparisons of in-migration, were downplayed.

But even if it is granted that the in-migration resulting from pipeline construction in the Northwest Territories may prove to be of a smaller scale than it was in Alaska, it will still be enormous in relation to the population and to the economic base that exists there now. Migration to the pipeline region and movements within the area of construction are likely to dwarf all experience in northern Canada so far. These movements of people will raise problems notwithstanding a claims settlement and despite strong ameliorative measures. I comment further on the problems that migration could cause in the chapter entitled Action Communities.

Recommendations

Not all of the recommendations that follow can be appended to a permit for a right-of-way. The responsibility for some of them clearly lies with government, and others may require extensive negotiations involving government, industry, the unions and the native people.

Residency Requirements

Evidence presented to the Inquiry suggests that there is a consensus among government, industry, the trade unions and some of the native organizations on the need for a preferential hiring system for northern residents.

Arctic Gas supported the idea of a preferential hiring system. Indeed, they have already had discussions with government officials and with representatives of the Canadian Pipeline Advisory Council (a joint union-management organization), and some informal contact with native organizations and native people. Frank Hollands, General Manager, Employee Relations and Public Affairs for Arctic Gas, described some of the problems associated with a northern preference system. Because they lack education, experience, skills and mobility, native northerners might have difficulty meeting standards for union membership, and qualifications for jobs. To overcome these obstacles, special membership considerations could be extended to native people, and job qualifications and standards could be relaxed in some cases to accommodate northerners who do not have adequate experience or education.

Jack Witty, Chief of the Employment Division of the Government of the Northwest Territories, outlined a priority placement system based on residency criteria, that the territorial government felt should be applied to individuals seeking jobs. First priority consideration would go to persons who were born in the Northwest Territories and had lived there all their lives; second priority, persons who were born in the Northwest Territories and had lived there for most of their lives; third, persons who were raised in the Northwest Territories and had lived there for a substantial part of their

lives; and fourth, persons who had lived in the Northwest Territories for at least four years.

The United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, represented at the Inquiry by Russ St. Eloi, defined a northern resident as a person born in the northern areas where the pipeline is being built, that is, the Northwest Territories or the Yukon Territory, or born to a family originally from the North, whose sons and daughters were born in the South and have returned to their family homeland. Jack Dyck of The Labourers' International Union of North America, Irv Nessel of the International Union of Operating Engineers, and Joe Whiteford of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America urged that a northerner be defined as a person resident in the North for six months.

The Canadian Pipeline Advisory Council expressed confidence that every bona fide northern resident genuinely interested in pipeline work would have the opportunity for employment in construction or related work. The Council, recognizing the problems associated with in-migration, urged strict control of hiring policies. It rejected the idea of a quota system, but accepted the principle of priority placement in training and employment for qualified northern native people.

All parties agreed that some system — but not the quota system — would have to be devised to ensure that the preference system actually placed native people in jobs. The preference system would require components to train, evaluate and counsel, and would have to include services such as transportation to and from the employee's home community. A priority placement system would apply to all northerners, based on the length of residency in the North. Residency would have to be defined, and several definitions were suggested. Finally, inasmuch as union membership presents a problem, the cooperation of unions would be needed on the admittance of northerners who cannot meet normal union standards.

Commission Counsel's proposal for a manpower delivery system did not specifically differentiate between native and non-native workers, but it did suggest the development of a hierarchy of preference that would favour persons with longer residency. This hierarchy of preferences would give native northerners a significant degree of preference over other northerners, without creating a classification system based on race. Commission Counsel proposed that pipeline jobs be extended first to qualified permanent northern residents, and then to other northern residents.

1. *To qualify for preferential treatment with respect to pipeline employment, a person must have resided in the Northwest Territories or Yukon Territory for a period of five years prior to the commencement of pipeline construction. Preferential treatment should proceed on the basis of "right of*

first refusal," and quota systems should not be used in its application.

Some of the disadvantages that native people experience in the labour market are caused not by deficiencies in their own skills and experience, but by a rigid approach to the classification of jobs and to the application of job standards. A solution to this problem lies in a thorough review of entry requirements for the various categories of employment that native people might be able to undertake.

2. *A panel composed of representatives of government, the contractors, the unions and the native people should be established by the manpower delivery system and should be responsible for determining the entry standards that would apply to northerners. If entry standards for some jobs are unreasonably high, they should be lowered, and preference in hiring should be given to native people.*

3. *It is essential that unions admit as members all qualified northern residents found acceptable by the employment system for pipeline work. The unions have offered their support in this endeavour.*

Single Agency Referral System

The Committee for Original Peoples Entitlement suggested the establishment of a single agency with strong powers of enforcement to deal with all aspects of pipeline employment, recruitment, training and union membership. The Canadian Pipeline Advisory Council also supported a single agency to deal with all employment matters. This agency would include representatives from the pipeline company, the contractors, the unions and native groups, but it would be a government agency and would coordinate the pipeline employment activities and requirements of all other government departments and agencies. Although Arctic Gas strongly favoured the concept of a manpower delivery system, they opposed the proposal to set up a single agency.

In their study, *Alaskan Native Participation in the Trans-Alaskan Pipeline Project*, which was prepared for the Department of Indian Affairs and Northern Development, Gemini North proposed a manpower delivery system that, although separate from contractors, unions and existing government agencies, would rely on the resources of these existing agencies.

I do not share the view that a manpower delivery system should be developed solely from existing government agency programs. A pipeline employment service will certainly draw extensively upon these programs, but existing agencies should concentrate on their non-pipeline and continuing functions; otherwise, there will be a tendency to neglect the non-pipeline sector. Moreover, I am not convinced that compliance and enforcement provisions would be adequate in a manpower delivery system operated by existing agencies.

4. A new manpower delivery system for pipeline construction, that is, a single referral system to deal with the pipeline contractors, the pipeline company, the unions and the potential clientele of an employment system, should be established. It should have one central office that would hold the whole system together and provide a point of reference for both employers and employees.

5. The native people must have control over those aspects of the manpower delivery system that most affect their communities, and over the relations between the system and the communities. Each community, for example, should have the right to determine whether the manpower delivery system would be allowed to provide information about pipeline jobs and to recruit within that community.

Native workers could, of course, still go to work on the pipeline as individuals. The point is that the manpower delivery system should not enter a community without the agreement of the community itself.

Functions and Establishment of the Manpower Delivery System

Commission Counsel's submission deals specifically with the functions and organizational structure of the manpower delivery system. Although I accept the general intent and scope of the recommendations, they are more applicable to a pipeline that is to be built immediately rather than in ten years' time. The general functions that I consider appropriate for a manpower delivery system are as follows.

6. The manpower delivery system should establish, staff and operate a central office and associated services; acquire and operate support services as required; establish active liaison with line agencies responsible for the delivery of training and related manpower services; and coordinate and direct programs to disseminate information, and orientation programs. It should register applications from northern residents for pipeline-related jobs and training; assess, screen, evaluate and process those applications in terms of skills and experience; and, where necessary, refer clientele to training programs. If necessary, it should prescribe and initiate pre-employment training. In all these functions, the manpower delivery system should assist the unions in their dispatch of northern residents. Finally, it should assemble data and monitor the performance of the employment system, with particular attention to northern participation in pipeline employment and training.

7. There should be a two-year planning period for the establishment of a manpower delivery system. The Company and its contractors should provide the manpower delivery system with detailed information on their labour force requirements before they request personnel for particular positions. The use of existing community employment and labour pool services should be mandatory.

8. The manpower delivery system should be prepared, at any

time, to inform its client groups or the general public about its work and how it operates. That is, any agreements that are made with the Company, its contractors, the unions, or the native people, should be matters of public record.

Hiring Halls and In-migration

Although they expected the pipeline to cause some in-migration, Arctic Gas said they would try to prevent an influx of non-northern workers seeking employment on the pipeline. One deterrent proposed by Arctic Gas was that non-residents would be hired only in southern centres. In other words, only northern residents would be referred to pipeline employment from a northern manpower delivery system. Arctic Gas anticipated that the establishment of a coordinating council of representatives from the government employment agency, unions, native organizations and employers would eliminate the need for hiring halls in the North. Foothills proposed to enforce a northern preference policy by ensuring that all southerners were hired through halls in the South, for example, in Vancouver or Edmonton. This, they said, would prevent southern contractors from hiring anyone other than northern residents in the North. The Committee for Original Peoples Entitlement also argued that hiring halls for non-residents should not be established in the Northwest Territories: southern workers should be hired only in southern locations.

Strong measures will be required to control migration from southern Canada to the Mackenzie Valley and Western Arctic during the pipeline boom. As in Alaska, there will be many people who will want to go north in the hope of finding work with high pay. These people will not only hinder or prevent northerners from securing employment, they could cause a variety of difficult problems for the territorial and local administrations.

I have already proposed that the minimum period of northern residence should be five years: that is, a person should have lived in the Northwest Territories for at least five years before becoming eligible for preferential treatment with respect to employment on the pipeline and related projects. This residency qualification provides the primary means of controlling undesirable in-migration; but it may not be adequate.

9. To control in-migration, hiring halls in the North should be available only to northern residents; all other persons who want to work on the pipeline should have to apply for employment at southern hiring halls.

The government should publicize this fact to all Canadians, and inform them, in clear terms, of the steps they must take to secure a job on the pipeline. Prospective pipeline workers not resident in the North must be convinced that they cannot expect to secure jobs on the pipeline and directly related projects by going North. To this end, there should be a publicity campaign that would make extensive use of the media.

Detailed information provided by other employment agencies, especially the Commission of Employment and Immigration, should be incorporated.

During the construction period, migration within the Mackenzie Valley and Mackenzie Delta will take two forms: from small communities to larger communities and from one area within the region to another. Control of such migration could be managed in several ways. To control migration from one area to another, zoning for employment purposes might be considered. Under such a scheme, persons living in the central Mackenzie Valley could apply for employment at only a single place, say Norman Wells; they would be discouraged from applying at other locations. Of course the most important factor in ensuring that there is not excessive outward migration from the smaller communities will be the development of a strong local and regional renewable resource economy after the settlement of native claims.

10. *The manpower delivery system for the pipeline should not require a northern resident to be present at a hiring hall before dispatch to a pipeline job. In southern Canada, most unions can dispatch a member directly to a job by using a telephone or telex referral, and the same facility should exist in the North.*

Training

Arctic Gas suggested that prospective employees who could not meet even related union qualifications should be given special training to upgrade skills to a level satisfactory for employment. Arctic Gas also intended to provide an orientation and counselling service to meet the needs of employed northern workers.

The preference system for northern resident employment outlined in Commission Counsel's submission should also be applied, in the same manner, to on-the-job and pre-employment training. Commission Counsel suggests that emphasis be given to the acquisition of skills in the apprenticing trades, preferably matching these to the long-term requirements for skilled labour in the region. Commission Counsel also suggested that contractors and unions be required to submit a joint plan of procedure outlining the number of training slots that would be available, the ratio of journeymen to apprentices on the job, and proposed programs of trainee supervision and assessment. This approach would be workable only if the single agency responsible for a manpower delivery system has the power to initiate and coordinate training.

11. *Government, with the advice of the Company, the unions and the native organizations, should be responsible for the conduct of training programs.*

12. *Preference in pre-employment and on-the-job training should be offered to northern residents.*

13. *In some special cases, employees may have to be trained outside the North, but this number should be kept to a*

minimum; training should be available as close as possible to the home community of the trainee. This may mean the establishment of training facilities at major northern communities — which will be an expensive proposition, but if we are serious about employment preference for northerners, those costs will have to be borne.

14. *On-the-job training must, of necessity, be a large part of the overall training program. Journeymen, tradespeople and other personnel who provide on-the-job training must have a special awareness of the problems that may be encountered in training native people for employment in industry. This may be best accomplished by having native organizations participate in the presentation of orientation and training programs.*

Conditions of Employment

Arctic Gas proposed to extend to all northern residents employed in pipeline construction the benefits and privileges offered to non-resident employees. In an effort to accommodate the personal and community commitments of northerners, Arctic Gas planned to ensure flexible work schedules for northerners working on sections of the pipeline close to home areas. As well, transportation would be provided to native communities during the scheduled rotational leaves of northern workers.

The Canadian Pipeline Advisory Council did not endorse the idea of preferential treatment for northerners while on the job. They took the position that northerners should be subject to the same disciplinary measures as all other employees.

15. *Standards for on-the-job conduct and deportment should, for reasons of safety and non-discrimination, be the same for all employees.*

Nevertheless, in the Mackenzie Valley and Mackenzie Delta, several cultures exist and several languages are spoken. This will mean the provision of an interpreting service in all of the languages and, where there is a written form of the native language, it will mean that printed materials, including forms and manuals, must be provided in the native languages. It is essential that terms under which native people are employed, and which recognize that they are culturally distinct, are fully observed.

16. *Conditions of employment must reflect the fact that native workers are people of distinct cultures speaking distinct languages. Serious efforts should be made to provide support services and counselling to native people entering an industrial employment situation for the first time. The way in which workers are accommodated, fed and entertained in the construction camps must reflect native as well as non-native values.*

Labour Pools

A labour pool or cluster hire system can be an effective way to ensure that a local work force, particularly native people, is retained on components of large projects that are amenable to the pooling concept. Commission Counsel, in his submission, outlined the advantages and disadvantages of a labour pool system. For the employer, the principal advantage is the ability to control labour attrition. For employees, the principal advantages are the closeness of work activities to the home community, flexibility of working hours and flexibility of tenure. The principal disadvantage is that work suitable for a labour pool system is limited to low-skill and labour-intensive activities.

17. Where northern residents indicate that this is what they want, efforts should be made to develop community labour pools for work on the pipeline project.

Accommodation, Food and Recreation

I have assumed that unions negotiating contracts with pipeline contractors will make adequate provision for acceptable accommodation, food and recreation standards in camps, and that these provisions will, in turn, reduce labour turnover. The standards specified for accommodation, food and recreation in such contracts have typically been high. However, the employment of native people on the pipeline will require special provisions that will have to be incorporated through collective bargaining.

18. The Company and its contractors should conform to the industry norm with regard to the provision of accommodation. Rooms should be designed for singles or couples; accommodation for couples and for women should be in separate sections of the camp facility. All rooms should be bright and clean; they should be equipped with electrical outlets, proper locks for security, and ample and modern shower, washroom and toilet facilities. Adequate laundry facilities for personal use and separate washroom facilities for women should be provided.

Collective agreements in the construction industry are extremely specific in terms of the quality, quantity and type of food that is to be served to all personnel on the site. The fact that there will be native people living at the construction camps must not be overlooked in the negotiation of agreements.

19. The Company and its contractors should make adequate provision for the food preferences of native people in construction camps. This should include provision of country food. In this regard, the Company and the unions should consult with the native associations.

In recent years, there has been a trend toward better and more complete recreation facilities in construction camps. However it may not be possible to install in the temporary and mobile camps of the Mackenzie Valley pipeline project

recreational programs and facilities that are designed for more permanent camps.

20. The Company and its contractors should provide adequate recreational facilities and recreational programs for workers in construction camps. Facilities may include television, movies, library services, reading rooms, supervised card rooms, games rooms and equipment such as shuffleboard and pool tables. Provision for other sports activities, such as cross country skiing, and for self improvement programs, such as crafts, public speaking and culture appreciation, should be considered. Facilities should be provided for the controlled use of alcohol.

21. Any negotiations regarding recreational programs and facilities must consider the recreational modes and needs of the native people.

22. Camp security provisions should not be so strict that pipeline workers and other construction staff will not occasionally be allowed out of camp bounds. It would be unrealistic to expect that there would be no pressures from workers toward pursuing such activities. Of course, the circumstances under which they can leave camp to pursue recreation must be carefully controlled so that there is no contravention of native and environmental interests.

Security

Both pipeline companies have stated that they will give full support and cooperation to the RCMP with respect to normal police activities, but they both intend to have a private security force to police camps and construction security. Of course, the duties and authority of these private guards must be completely defined. Their ability to detain and search workers over security matters will be very limited, and problems relating to contraband (liquor, drugs and weapons), for example, will remain within the control of the relevant police authority in the region. Moreover, these guards will have to work carefully and diplomatically if they are not to have a negative effect on camp moral. The major task of the private security force relates to the actual policing of criminal acts, fights and so forth in camps.

23. At all times, there must be complete cooperation between the relevant police authorities and the camp security force.

24. At all times, the Company shall cooperate with the appropriate authorities with regard to policing and security aspects of the project and its impacts.

Police authorities shall have complete access to construction sites. All matters outside normal guard entry and exit security shall be referred to the relevant police authorities. The Company shall provide the appropriate authorities with any information it has relating to the discharge of undesirable persons from the project and to known or anticipated illegal acts within the construction areas.

The Company shall implement adequate education pro-

grams for security staff to ensure that they are aware of their own responsibilities in relation to those of other authorities.

Work Schedules

Work schedules and periods of rotation have not yet been established: these questions are normally left to the contractors and unions to negotiate. It has been suggested that workers on the project may work twelve hours a day, seven days a week.

Although these questions have to be settled through negotiation, there are some recommendations that I believe should be considered by the parties involved.

25. *The work schedule should generally be long enough to ensure sufficient overtime to encourage workers to accept and continue to endure the rigours of project employment.*

26. *Negotiations relating to hours of work should recognize the need to provide on-the-job training, apprenticeship and classroom training as part of the normal working day.*

Rest and Recreation Leave

Construction of a pipeline in the cold and dark of winter, in isolated locations, for a 10- or 12-hour day, seven days a week, is very taxing on workers. The psychological effect on people working in such conditions can be extreme. Regular periods of rest and recreation at intervals that are frequent enough to ensure that psychological problems do not develop are essential: they are essential for safety reasons and for camp morale. In Alaska, the work schedule was nine weeks of work and then one or two weeks of rest and recreation. The average period on the job, however, was between five and six weeks. After six weeks in camp, the average worker left the job and either went to his home community or to one of the major centres such as Anchorage or Fairbanks. All too often, he failed to return to the job. With regard to the Mackenzie Valley pipeline, there have been various recommendations for rotational periods, both from the pipeline companies and from the unions.

The pipeline companies have indicated that they would pay transportation costs to fly all southern workers to and from Edmonton for their rotational leave and, in addition, they will return all southern workers to Edmonton when employment is terminated. I should point out that there is usually a stipulation in the contract that a worker spend a certain time on the job before return transportation to point of hire is paid.

Whatever the normal rotation is to be for employees from the South, the pipeline companies have indicated that they would permit a more flexible rotation period for northerners. The pipeline companies plan to pay northern employees a sum equivalent to the cost of rotating a southern worker to and from Edmonton. This sum will be pro-rated over the normal period scheduled for a term of employment in the North. Thus, if the rotational period is six weeks and it costs,

on average, \$250 to fly a person to and from Edmonton, a northerner who leaves after three weeks employment would be credited \$125 for his transportation to and from his community. Anything in excess of that would be charged to the northerner and deducted from his pay entitlement.

27. *A northerner who leaves the work site before his normal tour of duty is completed should report to a manpower delivery system office when he is ready to return to work. The manpower delivery system should refer such workers to employment positions on a first-come first-served basis. (A northerner who works his full term and takes his normal rest and recreation period would return to his job automatically at the end of that period).*

The question of a bonus system to encourage both northern and southern employees to remain beyond their normal rotational term has been discussed. I cannot endorse this idea because such workers may become a danger to themselves and to the people with whom they work.

Safety on the Job

Both the pipeline companies and the unions have stated their positions regarding the safety of workers on the project. It is expected that adherence to stipulations in collective agreements and to various safety ordinances, together with briefing sessions before workers begin their employment, will deal adequately with the issue of job safety. There will, no doubt, be safety committees, scheduled meetings and established procedures. But there seems to be a need to channel safety information to the men on the job through special training programs, and in particular to native persons who may not have had experience with the construction industry and its hazards. It will be necessary to ensure that such safety training information can be provided to native employees in their native languages.

28. *Industry practices with respect to safety on the job and training for safe practices can be expected to be maintained on this project. Nevertheless, the magnitude of the project, the nature of the climate and environment in which the project will be conducted, and the presence of less experienced, northern workers and trainees, make it necessary to initiate special safety training and to maintain rigorous safety standards on the job.*

29. *Instruction in training and orientation programs related to safety should be given to native employees in their native languages.*

Conduct of Employees on the Job

The unions have stated emphatically that there should be only one standard of conduct for all workers, whether they are northern or southern, native or non-native. This position is a matter of principle for the unions because they believe that all workers must be treated alike and that it is unfair to

permit one group to follow a less severe standard of conduct. Furthermore, the adoption of double standards implies that the individual worker is not responsible or accountable for his actions, and this, in turn, leads to bad work habits. This, the unions say, would hinder, not help the native people, because other employers will not apply a preferred standard to native people.

At the same time, we must recognize that a native worker on a construction site, particularly a person who has had only limited exposure to wage employment, is in a situation in which he faces new and difficult problems of time, punctuality, supervision and so on; his predicament must be viewed with flexibility and compassion. The danger is that too flexible an approach could create a double standard that could lead to abuse.

Some of these problems can be solved through training programs and orientation for job stewards, supervisory staff and employment advisers. In large measure, however, the successful participation by native northerners in the pipeline project will depend on a positive response to their needs.

30. There should be one standard of conduct for all employees on the pipeline project. The same degree of compassion that is extended to southern workers with special problems should be extended to northern workers in a similar position. Because of the inexperience of the northern work force, northern employees may face more than the usual number of problems. Extra attention should be given to these.

Money Management

Although individual rights with respect to the disposition of pay cheques must be maintained, workers, particularly northern workers, would probably benefit from orientation and training programs that deal with money management. There must also be facilities and services for workers to dispose of their earnings. The problems arising from the

failure to provide money management counselling and credit union or banking services are apparent from an examination of the Alaska experience and of construction experience in other parts of Canada. In contrast, the Labourers' International Union included money management in its life skills training program at Keyano College, Fort McMurray, and this program has been partially successful in helping native workers on the Syncrude Project manage their earnings more effectively.

31. Banking and other financial services should be provided in camps so that workers can spend, save or invest their earnings or send money back to their families. The exact forms of these facilities and services must be determined through discussion and negotiation between the unions and contractors.

32. Money management counselling and orientation programs should be available to all employees, whether northern or southern, native or non-native. Counselling should include discussion of union membership dues, obligations, withdrawal dues and initiation fees. As part of a pay policy, the unions and contractors should make provision for deferred or installment payment of initiation fees.

Women in the Work Force

Hundreds of women were employed on the construction of the Alyeska pipeline in nearly all types and levels of work. And in Canada, too, more and more women are taking part in construction. At Keyano College, where workers on the Syncrude Project at Fort McMurray are trained, approximately one-half of the students graduating from courses for labourers are women.

33. The Company shall ensure that there will be no discrimination against women and that access to training, northern preference and the manpower delivery system, union membership and dispatching shall be afforded equally to women and to men.