



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

HUMA • NUMBER 018 • 1st SESSION • 41st PARLIAMENT

EVIDENCE

Thursday, December 8, 2011

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Chair

Mr. Ed Komarnicki

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• (1535)

[English]

The Chair (Mr. Ed Komarnicki (Souris—Moose Mountain, CPC)): I'd like to bring the meeting to order.

We will have video conference testimony from Suncor Energy Inc. individuals: Arlene Strom, vice-president of communications and stakeholder relations; and Cathy Glover, director of stakeholder relations and community investment.

We also have with us, from the Conference Board of Canada, Anja Jeffrey, director, Centre for the North; and Heidi Martin, research associate, leadership and human resources research.

We'll start with a presentation of about five to seven minutes. Then we'll have rounds of questions by each of the parties. We'll start with Suncor Energy's presentation, and if we don't encounter any difficulties we'll go to the Conference Board of Canada.

Go ahead, either Ms. Strom or Ms. Glover.

Ms. Arlene Strom (Vice-President, Communications and Stakeholder Relations, Suncor Energy Inc.): Thank you very much, Mr. Chair.

I first want to thank you very much for the opportunity to appear before you today. We were asked to talk to you about some of the work we are doing within our Suncor Energy Foundation, particularly as it relates to building skills in rural communities. In our case, a lot of that work is in the Regional Municipality of Wood Buffalo, or Fort McMurray.

We hope that today will be the beginning of a dialogue with you. We haven't done the sort of deep policy thinking, given the notice we had, but we're very happy to share these examples with you. We really believe in some of the principles we're about to share with you.

First, it's important to have multi-stakeholder dialogues with the federal and provincial governments, first nations partners, communities, and industry at the table developing solutions. We think these kinds of dialogues and investments in solutions for building skills and capacity in the community will pay long-term benefits both economically and socially.

With that I'll turn it over to my colleague Cathy Glover, who will tell you about some of the work we're doing within the foundation. Then we'll look forward to your questions.

Ms. Cathy Glover (Director, Stakeholder Relations and Community Investment, Suncor Energy Inc.): Thanks, Arlene.

Mr. Chairman, it's a pleasure to be here this afternoon. As Arlene mentioned, we want to talk primarily about the Regional Municipality of Wood Buffalo.

I think most of you know it is the nation's largest municipality, about 68,000 square kilometres, with the city of Fort McMurray proper at about 77,000 people. Within the larger regional municipality are five first nations and several Métis locals.

The area is important to us at Suncor because that is the home of our core business, the base of the oil sands industry. It is where most of our employees are working and living. While it is a large community, it is a remote community. Even within it, there are more remote communities, for example, the community of Fort Chipewyan, a fly in, fly out community, which is dependent on an ice road in the winter.

We talk about that as the foundation of what we're doing, but everything we're doing is looking at the municipality, and within a larger context, on a more national basis.

The Suncor Energy Foundation, on which we have been asked to share some background with you today, is a private charitable foundation that was established to receive Suncor's contributions and to support registered charitable organizations in Canada. We're funded entirely by the company. We have a board of directors that is made up of internal individuals, at a vice-president level or above.

We are looking to seek unique opportunities to build sustainable communities through effective collaborations, as Arlene has already mentioned, and to enhance the quality of life in the communities that are key to us.

We've identified five integrated funding priorities, and those are cultivating community leaders, building skills and knowledge, inspiring innovation, engaging citizens, and collaborating for a new energy future.

Since its inception in 1998, the foundation has contributed more than \$74 million into Canadian communities. Our investments are strategic in their support of Suncor's business interests while at the same time more broadly contributing to solutions to challenging issues on a regional and national basis.

Examples of what we're sharing today, as I said, are about Wood Buffalo, but they are also looking at a more national perspective, addressing issues primarily around skilled technical trades and workforce development and aboriginal opportunities.

Some programs we're supporting are national in scope, for example, Actua's national aboriginal outreach initiative, which is developing science and technology programs in remote communities across the country. We've been participating with the Public Policy Forum's dialogue on aboriginal youth engagement and education programs to try to find a new collaborative way of addressing educational outcomes for youth across the country.

The company has also been addressing a number of issues in our operating areas, including hiring, skills development, work with employees once they're on board, business incubators in first nations communities that are neighbours, and procurement programs. All of these work to build a strong program.

The building skills and knowledge portfolio we're looking at is definitely about building a skilled and engaged workforce. We want to reduce the risk to our future growth by trying to ensure we have a strong pipeline in place and focusing on the faculties and trades we know we need in our business and industry.

We need to encourage the next generation to see the possibility for careers in the energy sector as something for their future, and also to cultivate a sustainability mindset: how do we get people to think differently and think about different solutions? Sometimes we call it "unconventional thinking" here.

We've worked with a number of organizations and entities to look at different solutions. That would include the Northern Alberta Institute of Technology, NAIT, looking at specific skills programs, but also looking at aboriginal transition programs: how do we get kids coming into the institution to ensure their success as they start to embark on their studies? I think most research has shown that if we can get these students in the first year of their engagement fully supported, as they move on in their further studies they perform no differently than other students.

• (1540)

We've been funding a program called "Women Building Futures", based out of Edmonton. This has been a unique and very strong program that is specifically targeted to women and to getting them into unique career opportunities in the trades: in oil and gas, in mining, and in the construction trades.

Over 50% of the students are aboriginal women. Many of them are single moms. The program has been designed to support that student base. There are apartments set up for the students to come right into the facility. There are day care programs for their kids. The program has been supported and designed so that these women can succeed in their studies.

In both of these cases we are seeing what we need to do to support these individuals to succeed in the studies they're following.

Another program at a whole other different level is called "Careers: The Next Generation". We're talking about high school kids. It's a program initiated in Fort McMurray that is an industry-driven public-private program. Students in high school are getting

both their school programs and their diploma, as well as achieving their apprenticeship program and tickets. In this small community where we started it—it's now a provincial program—we are helping to ensure that kids in our remote community, in Fort Mac, are finishing high school, and that we're not having them being pulled out in grade 10 or grade 11 and failing to complete a high school diploma just so they can get a fairly high-paying job within the industry somewhere.

Of course, we work closely with the technical and community college in Fort Mac, with programs that are specifically designed to support our industry, like programs for heavy equipment operators and piping technology programs. But they're also looking at the allied professions that are needed to support the community: early childhood education, nursing programs, and basic arts programs. We're making sure we have a really strong and vibrant community college in the community.

We've also worked on a national basis with the National Aboriginal Achievement Foundation. I also mentioned the work we've been doing with the Public Policy Forum. In both cases we're looking at how these different organizations are trying to design or look at new ways of addressing aboriginal education in culturally appropriate ways and by bringing first nations—aboriginal, Métis, and Inuit people—to the table in designing the solutions.

One of the other areas of focus for us is the area of cultivating community leaders. As much as we need technical expertise in Fort McMurray in our industry, we also need a very strong, supported base in our non-profit sector and in our community base. A lot of our investment has gone into these programs that are building skills and capacity in the non-profit sector, and into working with first nations communities to build capacity there, with programs like the Banff Centre and with initiatives like a new program called "Social Prosperity Wood Buffalo".

The business is also very engaged and involved in doing the support. We will do direct programming especially to first nations around young moms programs, business incubator programs, and the active engagement of our employees, who are involved and engaged in the community.

I think the challenge for us is that we know the skills shortages are a risk for our industry. Our primary role, and industry's primary role, is to hire, to employ, and I think to continue to develop and build the skills and knowledge of those people once they are employed with us. We recognize that the gap is widening between the positions to be filled that we have in this industry and the available skilled resources we have. We know there is an issue or a challenge in encouraging youth from 12 to 17 years old in regard to skilled trades and encouraging—

The Chair: Could I interrupt there for a moment? If you could bring it to a conclusion, I'd appreciate it. We're well over the time we've allocated.

Ms. Cathy Glover: You bet. I'm just about there.

Really, just to reiterate what Arlene started with, what we're looking at and building and believing in are the solutions that are multi-stakeholder and collaborative and that look at economic and social benefits over the long term. We are also removing barriers for aboriginal young people, so they can receive and achieve education and skills training and participate in the workforce.

Thank you, sir.

• (1545)

The Chair: Thank you very much for that presentation. I'm sure there'll be a number of questions flowing from that.

We'll now turn to the Conference Board of Canada.

Go ahead.

Ms. Anja Jeffrey (Director, Centre for the North, Conference Board of Canada): Thank you, Mr. Chairman.

My name is Anja Jeffrey. I am the director for the Centre for the North, an initiative within the Conference Board of Canada. I am here today with Heidi Martin, the lead author of a new report that we published in November 2011 called "Building Labour Force Capacity in Canada's North". I believe that's the reason we are here today.

The Centre for the North was established in 2009 and runs until 2014. It's supported by industry and government via aboriginal organizations and academia. I believe it to be the only balanced matrix of dialogue on the challenges facing Canada's north.

We have about 50 investors in this initiative. We look at three overall themes: sovereignty and security, thriving communities, and economic development. We'll also be looking at international best practices to see how Canada's policies and recommendations compare with those of other countries.

Once we finish this initiative, we will have looked at a variety of issues pertinent to Canada's north. We will have looked at impact analyses and recommendations, and we will have made sure that we consulted with stakeholders across the north so that everything is prioritized.

In other words, if you have competing public policy priorities but limited human and financial resources, as is often the case in the north, how do you get the most bang for your buck? What do you need to do to produce the most impact for the aboriginal and non-aboriginal people who live in the north, to create the most successful economic sustainable development, and to make sure that Canada maintains its influence on the international scene when it comes to developing its Arctic and sub-Arctic areas?

This initiative not only focuses on the three territories; it also focuses on the northern jurisdictions of the seven provinces.

Our report on building labour force capacity in Canada's north is one of several reports that we have published or will be publishing in the next couple of years. If you log on to our website, you will find our mission and vision statements as well as our brochure and all the reports we've put out. We are funded upfront, so everything can be downloaded.

Our report on labour force capacity has been very well received. I can only echo what our Suncor colleagues have already said: it's all about education, employability skills, and job-specific skills.

The north faces an interesting paradox. There seems to be tons of room for labour force engagement, but not the necessary skills to fill the positions available. It's something that industry, governments, and the organizations involved in labour skills development bump up against. The real question becomes, what do you do?

One of the things we've heard about over and over again is the need for stable and sustained funding for the education of younger students and for ensuring that trade skills development programs are available. That is really important. The building of public-private partnerships in this area will be paramount.

The mining companies are pulling their weight. They have their fair share of programs aimed at advancing economic activity, and IBAs in the north are being negotiated to further skills training and education. It's like building a school. But how do you attract teachers if you can only employ them on a year-to-year basis?

We see a lot of competing priorities when it comes to building sustainable economic development in Canada's north. If you don't pull the people along from a very early age, you will not be able to realize the economic development potential that we see in Canada's north.

I will wrap up by saying that our report provides a number of examples. It is empirically based. The Conference Board of Canada does evidence-based research. We will be happy to speak to some of the examples we have encountered by reaching out to entities in the provinces and the territories.

Thank you.

• (1550)

The Chair: Thank you for that presentation.

We'll move to Ms. Crowder.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Thank you very much, both our guests by video conference and our guests here, for your presentations.

I'm sure you're aware by now that what the committee has heard consistently is education and training, education and training. It's a consistent theme from almost every witness who comes before us.

I've got an article here called, "The skills for our success", and it's actually based on some work that was done in Australia. It is dealing specifically with apprenticeships, but it talks about a couple of things that they did. They invested in pre-apprenticeship programs. They encouraged prospective workers to enter the skilled labour market later in life, and that's often the case in aboriginal communities, that they're coming back to the workforce later in life. They had a single, nationally organized and recognized system with government-run vocational education centres. And then they go on to talk about the government making a 43% increase in funding for science and research in innovation, and that filtered down to skilled workers who made their new ideas profitable.

This same report also quotes the fact that the Canadian Federation of Independent Business indicated that 34% of companies feel they have a shortage of skilled labour, and 38% said their businesses had already missed an opportunity because they couldn't access labour. And in the same report, it quotes the Conference Board of Canada, which cited a report on Dofasco for its ability to create clear and easily accessible training paths into skilled trades.

I wonder if the Conference Board of Canada could comment on what you see that gets in our way of making that long-term sustained investment in education and training—and it includes the K to 12 system, because, as others have pointed out, if they don't graduate then you can't get them into trades and certificates, and other programs.

What prevents us from doing that?

Ms. Heidi Martin (Research Associate, Leadership and Human Resources Research, Conference Board of Canada): I think a lot of our participants in our study definitely noted the importance of getting kids into education and making them stay in education as one of their main focuses.

Many of the participants cited lack of infrastructure in the north as an issue, and especially in northern schools, and especially in schools on reserves they noticed a lack of quality of education. So some of the participants cited that they found that some of the students coming out of high school weren't coming with the equivalent of a grade 12 education. So going into the trades just wasn't a possibility for some of these students without a lot of remediation. They found that they were spending a lot of time there.

That's what the participants were telling us, that there are a lot of pre-employment issues to begin with before they even had their individuals coming out of high school. Some of the participants were investing in overcoming those infrastructure barriers. Cameco Corporation, for example, in northern Saskatchewan has invested heavily in an online high school—

Ms. Jean Crowder: They appeared before us.

Can I interrupt just for one second about the online piece? In that study or another study, and I can't put my hands on it right now, we had the Department of Industry before us talking about the fact that in broadband coverage—except that this study specifically says “in the north” and that's just simply not true—there are big pockets where high speed isn't available. And I know one of the solutions—Cameco specifically talked about this—is online delivery.

Did you get any feedback about the broadband aspect of it?

Ms. Heidi Martin: Well, certainly in the literature review we did come across some documentation saying that broadband is just a problem, in that it's one of those overlooked issues of infrastructure. We tend to think of hospitals, roads, and airports as infrastructure, but broadband must be a component of infrastructure development in the north.

So yes, we did come across, especially in the literature review, communities that just weren't even able to take advantage of the opportunities that had already been invested in, because of that lack of broadband infrastructure.

Ms. Jean Crowder: Do I have time still? Okay.

Could you make a quick comment on just-in-time training?

Ms. Heidi Martin: Yes, just-in-time training is a fantastic technique that a lot of our participants use. And really what they do is they see an open opportunity—an open job opportunity—and they develop their training specifically directed towards that opening.

What that creates is an automatic link between investing in education and investing in my personal education and my personal training, and boom, I've got a job at the end of it. We saw that with the Northern Manitoba Sector Council. We saw that with Det'on Cho Corporation in Yellowknife, and across a lot of the organizations that we spoke with that really focused on that just-in-time training to make that direct link.

● (1555)

The Chair: Thank you. Your time is up, but I'm wondering if Ms. Strom or Ms. Glover has comments on these questions. If so, this would be a good time to make them before we move to the next questioner.

Ms. Cathy Glover: I have a comment on online education. One of the more successful programs was developed by Sunchild First Nation. I'm not sure if the committee is familiar with the work they have done. It's a central Alberta community that has looked at an online module program geared to aboriginal youth. The program has been delivered across the province.

We've found that when the program is being delivered in a remote community like Fort McKay, north of Fort McMurray, we still need a teacher in the classroom. The classroom might operate with about a dozen young people. Often these young people are coming back after some years out of traditional high school and they might be in their early 20s. But they still need a teacher or facilitator to keep them on track. Using culturally appropriate online resources has been successful in these communities.

The Chair: Thank you.

We'll move on to the next round with Mr. Harris.

Go ahead.

Mr. Richard Harris (Cariboo—Prince George, CPC): Thank you, Mr. Chair, and my thanks to our presenters.

I am a visitor to this committee. I find it interesting because we're studying pretty much the same challenges on the natural resources committee, where we're doing a complete study on Canada's north. The problems you're talking about are very familiar.

Suncor has built relationships with first nations communities for many years. Everyone talks about the socio-economic benefits of getting first nations communities involved with local resource development. But simply hiring a number of first nations people at a wage they probably never saw before is not going to be a huge benefit if they don't have the skills to help their community deal with the new-found wealth.

I know Suncor has been involved in forging relationships and developing a workforce. Have you seen this challenge of new-found money going into communities where there wasn't a proper preparation for that intake of funding? It can create other problems if it's not a complete package that puts all the benefits together and makes them work.

Ms. Cathy Glover: You're asking about communities that are receiving a significant royalty cheque and the money is being distributed to all community members in one shot?

Mr. Richard Harris: I was speaking more of rural and remote communities that all of a sudden see a company or two come into their area. They take advantage of labour jobs, but those labour jobs even at that level pay well in Canada's north. To have this new money come suddenly into their community, unless there's some preparation done, can cause more problems than benefits.

Ms. Cathy Glover: I would assume that to be true. I don't know. We've been in those communities for 40 years, so we've been working with them for a long time. We are working with the communities on economic sustainability. Between us, Syncrude, and other industry players up there, we have employed almost all the employable individuals from local communities. There are lots of individuals in those communities who do not want to work for our industry but want to start their own businesses. The community as a whole wants to understand how it can be economically sustainable in the long term. One way is to build businesses that are suppliers to us. We spend millions of dollars dealing with aboriginal businesses in the north. We've chosen to work with communities to develop their own economic sustainability.

I'm not sure that answers your question, but I don't know that I'm in a position to talk to that.

• (1600)

Mr. Richard Harris: Does your relationship with these rural or remote communities, particularly first nations, involve an important plan or program? Are you working with community leaders to prepare residents for the influx of some pretty big dollars, and to ensure that these dollars will be spent in a way that's beneficial to the community?

Ms. Cathy Glover: Yes, we're doing it through the economic development piece, through the employability, and through working with other organizations, like the Banff Centre, to build capacity. I don't think there are as many of us working directly with chief and council on business management and direct capacity development. But we would work with them if they came to us and wanted us to support them in that way.

Mrs. Arlene Strom: I think that's fair. In these communities we're working with, anywhere from 5% to 7% of our labour force are first nations members. We work with them on initiatives. For instance, we have a business incubator in Fort MacKay, where we help to develop and nurture new business, and then to support the first nations communities through their own businesses.

The Chair: All right.

We'll now move to Ms. Moore.

Go ahead.

[*Translation*]

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): I want to thank everyone.

I, myself, hail from a northern community. A specific issue is on my mind.

In the north, young men—this situation mostly applies to them—often go work outside their community. They find jobs in the north and, with only a high school diploma, they earn better wages than people with undergraduate university degrees, for instance, who stay in the community to work.

How can we encourage those people to go to school? They tell us that they earn better wages, even without a university degree, and that they don't want to run up any debt to go to school. What can we say to that?

[*English*]

The Chair: Who wants to try to respond to that?

Go ahead, Ms. Martin.

Ms. Heidi Martin: That is a concern we hear from the participants in the study. One of the participants from the Dene First Nation in Yellowknife mentioned that youth will drop out of high school and take a high-paying job or not bother to go on to university.

In Yellowknife, the Northwest Territories' Mine Training Society has invested a lot in making the connection between staying in school, staying in training, and personal economic wealth later in life. In their annual report, there's a cute little advertisement. It shows a picture of a Yellowknife Dene woman saying she's finished training and now owns a brand-new car, and she's literally sitting on her new car. They're making that economic connection between staying in school and personal economic comfort.

Some of our participants will stream individuals who are in the company and use bursaries, scholarships, and career plans to bring them from entry-level jobs to positions with a requirement for university education. When you get a big payoff for going into an entry-level job, it is easy not to bother with further education. But if you can capture people after they're on site and working, many of them can be encouraged to move towards higher education.

• (1605)

[*Translation*]

Ms. Christine Moore: My other question is for the representatives of both groups.

I would like to know whether your programs are available in both official languages. I'm asking because of what I see in my region.

Often, people see job opportunities. They decide, for instance, to leave northern Quebec to go work in Alberta. They have some knowledge and skills. However, it is of the utmost importance that they be able to transfer that experience to the community they are settling in, once they arrive in their new region.

I would like to know whether your programs are available in both official languages. In addition, what do you do to help those workers integrate into their new community, so that the community can truly benefit and so that they do not leave six months later?

Also, is an effort being made to integrate, for instance, the wives of workers who go to northern communities? Is anything being done to help them integrate into the labour market? They are new to a region, and that is often more difficult for the spouses who follow their significant other.

[English]

The Chair: Perhaps we'll hear from Suncor first and then we'll go to the Conference Board.

Ms. Cathy Glover: Mr. Chair, Fort McMurray has become one of the most successfully diverse communities we have in Canada. I heard this morning that the elementary school on Main Street has 69 languages represented, as families are coming from all across Canada and around the world into this business.

Our business operating language is English. Certainly we welcome anybody on site as long as they have the proficiency to be able to meet the required safety requirements from a language perspective, regardless of any language. Then we would work with the college to develop programs for new immigrants—welcome committees. We've developed a program with Keyano to welcome people who are not used to winter, to give them basically a winter 101 course on why you wear a hat, why there is a plug on the front of your car; it's not just to make it go.

We do have to help people who are arriving in this community, because there are jobs. They have heard there are jobs and many arrive, actually, without having done the research and they really don't know what it is they're getting into.

From the perspective of women, I'm also very proud to say that on our leadership team and in our oil sands business, two of our senior leaders are women. They are very accomplished engineers and very strong leaders. I think that type of role modelling is really important for women at any level of our organization.

The Chair: Thank you, and we'll move to a brief response from the Conference Board.

Ms. Heidi Martin: The one example I have is that at Agnico-Eagle Mines in Nunavut they actually fly in a lot of their fly in, fly out employees out of Montreal. So they have a policy where you can work in any language you're comfortable with, and they have many languages. They do have a base requirement for operating in English, for safety, similar to what Suncor just mentioned. But they do have counsellors working in Inuktitut as well as in French and English.

Also, regarding women's participation, the Northwest Territories Mine Training Society, again, has a high level of women participants, especially among the aboriginal community. And 30% of their training participants are women, compared with an industry average of 5% in the mining sector. So they are really attempting to bolster the number of women in that industry and make them very welcome and successful.

• (1610)

The Chair: Thank you.

We'll now move to Ms. Leitch. Go ahead.

Ms. Kellie Leitch (Simcoe—Grey, CPC): Thank you very much to both groups for joining us today.

The first question is rather short and succinct. Perhaps I can just have your comments off the top. I really want to find out what you think are the key success factors for private sector areas investing in skills training in these remote rural communities. What would be the top three items? I know you had listed a few overarching...and we've

not really been that focused. But what are the top three things that each one of these private sector companies needs to focus on in order to be successful in recruiting people into jobs in the north?

Suncor, do you want to go first?

Ms. Cathy Glover: I'm not sure it's a short answer. I'll have to think about what the top three pieces are.

The challenge is that there isn't a pipeline of skilled folks, young people or older, coming in. We know we have an aging population of skilled trades individuals and there will be a gap there. We don't have enough open training positions to educate new people. I think the other piece is that as a society we don't necessarily value skilled trades as a viable career opportunity. People can have very successful careers working in skilled trades. We need to talk to younger people about that being an opportunity. Success isn't only getting your BA. We are talking to young people about trades and other opportunities for them.

Ms. Arlene Strom: May I add a couple of things?

The Chair: Sure, go ahead.

Ms. Arlene Strom: We have really tried to focus on approaching this by being long term in our planning. We're planning more partnerships. Our company has typically not had a lot of joint ventures, but we are partnering so we can work together with industry and have staged needs over a longer period of time, so we don't get the peaks and valleys in labour needs, as we did back in 2008.

Second is to collaborate not only within the communities but within industry, so the labour organizations. We're looking at where the needs are going to be. What are the skills?

Third is mobility, not only outside of Canada, which gets a lot of attention, but within Canada. The certification processes for labour, skills, and trades should be harmonized so that we can have good mobility across Canada as well.

The Chair: We certainly hear that recurring from time to time.

Does the Conference Board of Canada wish to add anything to that?

Ms. Heidi Martin: Just to echo what Suncor has said. We have a lot of the same issues, but I would add that partnerships should be based on mutually beneficial goals. You will only find out what those goals are if you communicate with each other, so that must be based on a strong and constant communication back and forth, and that includes an understanding of each other's culture. We found in our study that communities are unique and you have to understand each other's culture, and that goes both ways. The community has to understand the business culture of their partners and the business has to understand the culture of the community they're dealing with.

One last thing is that there has to be a long-term focus and stable funding. We found that a lot of our organizations are chasing and wasting resources on constantly trying to renew their funding. Some funding is sunsetting, and they're nervous about being able to continue with their programs. So if there's a long-term focus and they don't have to worry about funding, they can continue to provide training and programs. That's something businesses must be focused on as well.

• (1615)

Ms. Kellie Leitch: I have one short question for Suncor.

I know what you use the plug-in for when you use your car up north, because I grew up in Fort McMurray.

How valuable is Keyano College to what you are doing? Has it been an essential key component to making sure you have this pipeline you've talked about? Has it allowed you to build what you need, or are you looking for other partners outside of that college system?

Ms. Cathy Glover: I think we need to look at Keyano as well as others. The organization isn't large enough to meet all of the needs that are there. NAIT is a very essential partner in the skilled trades we have. In order to teach these trades you need certain kinds of equipment and materials, and they're not necessarily available at all of the institutions.

The college is important, and I think it's very important in building the community. There are programs critical to heavy equipment maintenance or piping technologies that are very specific to what we do. But having a college in the community is also very important to the sustainability of the community and keeping kids there. Children who are growing up in that community are able to choose to stay there. They don't necessarily have to leave to go to a post-secondary or technical trade school so they can work in the industry.

The Chair: Thank you for that.

We'll move to Mr. Cuzner.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Thanks.

I think it's pretty cool that my colleague, Ms. Leitch, grew up in Fort McMurray.

My association with Fort McMurray goes back to 1976, when I worked with Catalytic Enterprises at Great Canadian Oil Sands, or GCOS. There were about 13,000 people in the community at that time. There are 69 languages in one of your elementary schools. I know most of the people in Fort McMurray were still trying to decipher "Newfinese" at the time I was out there.

At the risk of sounding like an infomercial for Suncor, I'm going to use my five minutes to share with the committee that Suncor is seen as a tremendous corporate citizen in Fort McMurray and the broader region. They have done some really neat things. With labour relations, they have taken some very progressive steps.

When I think back to Fort McKay, which is just out past the plant—when we first started going there in 1976-77, the community itself was in really rough shape. Because of its proximity, Suncor was very engaged in the community there. I know now that some of the best tradesmen came out of Fort McKay and even some of the more

successful entrepreneurs in Fort McMurray are from that community. So obviously there have been some good things done.

But I want to move back to what Dick had asked before about the capacity for communities to even assume some of this success. At that time back then—and I'll just share this one with my colleagues—to get to Fort Chip, you fly in there in the winter. I was contracted by the Alberta Recreation and Parks Association to go in and do a coaching development hockey clinic in there. So we landed at the air strip. There was a horse on the air strip, so they had to buzz the air strip and shoo the horse off. It was about 35 below, and nobody picked me up at the landing strip. I was there with a bag of pucks. I had the old 16-millimetre films and all that. I had books and binders and all that. So the supervision wasn't there.

I walked to what I thought was the school. It was open. By about noon time some kids started showing up. There were no coaches, but a bunch of kids started showing up. I was trying to figure it out as I went along. I didn't see an adult for the day, and the plane wasn't picking me up until five. So I said, well, maybe I'll take the kids down on the rink and do some drills. The kids said, "We can't go, there's too much snow on the ice." I said, "We'll clean the snow off." So we cleaned the snow off and we did a hockey clinic. I did some drills with the kids and all that. We had some great fun.

At the end of it, one of the kids came up and said, "Are you Jari Kurri?" So the kids at Fort Chip think that Jari Kurri came to their community and did a clinic that day. That was before I was a politician. I don't fib anymore now that I'm a politician.

So from Suncor, could you share with us—you had referenced Fort Chip—what types of things you're involved in with that community now? What types of initiatives would you have pursued in the Fort Chip community that would have allowed for greater opportunity there? I know there are some successes in McKay. What about Fort Chip? How have things come along there?

• (1620)

Ms. Cathy Glover: As you say, Fort Chip is a more challenging community because it is that much more remote. Our most successful example is a company manufacturing Kevlar wristlets that are being used by a number of different industry members in Fort Mac. Really these are protective sleeves that go over top of the suits our people wear on-site. They are being manufactured in a very small plant up in Fort Chip, which has been steadily employing somewhere between five and six people for probably 15 years. What that does is provide a need that we have, as industry; this is a product and a safety piece of equipment that our employees require. It's something we need, but it's something we can do in the community that is building an economic benefit directly into the community. We've had some of our folks in our business development group work with them to build and sustain that business, and to see if they can actually create a broader market for it. We haven't been quite as successful as we had hoped they might be able to be because of that transportation challenge. That's one really strong example of what's worked.

Also, through an initiative called the oil sands leadership initiative we are beginning to do collaborative work. We have five industry organizations working together, and rather than being competitive and each going into the community to try to do different things, we've been trying to go into the community together. We've had some real success looking at some of those things in those smaller communities.

The Chair: Thank you very much.

Unless Mr. Cuzner has another very interesting story to share—

Mr. Rodger Cuzner: Just one comment. I'll tell you that back 30 years ago I would never have thought there would be any manufacturing going on in Fort Chip.

The Chair: Thank you.

We'll then move on to Mr. Shory.

Mr. Devinder Shory (Calgary Northeast, CPC): Thank you, Mr. Chair, and thank you, witnesses, for being here.

Being from Calgary, Alberta, I can share all kinds of good stories about not only Suncor, but a lot of other companies that create jobs and that had such good programs to facilitate all of the workers from across Canada, or foreign workers, so that they would feel at home.

I have a very limited time and I want to focus on my question to the Conference Board of Canada. I was reading in your Centre for the North initiative that “a strong North is essential to a strong Canada”. I agree. We all know this, and we agree that under the leadership of Prime Minister Harper the north has been made a priority by this government.

Then I was reading the report of the Federation of Canadian Municipalities, which is called “On the Front Lines of Canada’s Northern Strategy”. It reads:

In Ottawa, parties across the political spectrum have made northern issues a priority, and the current federal government has put more emphasis on the North than any other in recent memory.

Then I was reading the Canadian Chamber of Commerce comment, where they say that:

Despite many sources of government support and significant federal spending directed at rural/remote areas of Canada, consistent progress in building strong, self-sustaining remote communities is not evident.

My question is, considering all the observations made by FCM and the Canadian Chamber of Commerce, in your opinion, what is the reason that we are not achieving the intended results, and what should we do considering the fiscal restraint period we are going through?

I would like to receive some non-monetary input here.

● (1625)

Ms. Anja Jeffrey: Thank you very much.

I think your comment is a testament to the fact that even though there is an overarching and very broad political support for Canada's north, when it comes down to the actual implementation of initiatives, there's a lack of knowledge on the ground of what's going on.

That has more to do with the constitutional makeup of Canada, where the federal government, of course, plays a very important role,

and in this particular case, through HRSDC, CanNor, and AANDC. But there's so much going on in the territories and in the provinces that simply does not always reach decision-makers in Ottawa, and it's nobody's fault in particular. It's simply because people in the north—politicians as well as policy makers—are extremely stretched, and the capacities, both human resources and financial, are stretched too.

Building the foundation for informed decision-making is really what is needed here. It's all about latching on to not only what the private sector does—Suncor is just one of a myriad of examples out there of how the private sector supports labour force and skills capacity in development in the north. But the public sector needs to step in and create a binder of best practices, so to speak. If that were to happen and it was then attached to Government of Canada priorities, I think you would begin to see where the gaps are in that conversation.

It's not because we are right or they are wrong; I think it is a matter of communication, and it's also a matter of intelligence gathering. The types of reports the Conference Board of Canada's Centre for the North puts out add an element to that conversation, but it's not exhaustive. That would be my recommendation, moving forward.

Mr. Devinder Shory: Are you going to make a comment?

Do I have some time?

The Chair: Yes, you have about 30 seconds—now you have 22.

Mr. Devinder Shory: Okay, let's talk about this. How do we encourage the public sector, or private corporations, or investors? I'm looking for some non-monetary suggestions here. How do we encourage them to participate? We can all agree that their participation is very important.

Ms. Anja Jeffrey: I have no specific answer to that.

The Chair: Suncor has a concluding remark? If not, we are going to suspend for a few moments.

I'd like to thank everyone for presenting.

I see that Ms. Glover wants to make a comment.

Ms. Cathy Glover: No, just to thank you.

The Chair: All right.

We'll suspend for five minutes.

● (1625)

_____ (Pause) _____

● (1635)

The Chair: We'll call the meeting to order and take our places.

As we go forward, I'll say that we're going to adjourn perhaps 10 minutes earlier, as we have some committee business we'd like to deal with, so we'll keep that in mind. We may not get through the full round of questioning, but we do want to be sure that we hear the presenters.

Usually presentations are for five to seven minutes. Then we would have five-minute rounds of questions.

You can give it your best during your presentation and then answer the questions as you're able.

Mr. Montpellier, go ahead.

Mr. Ryan Montpellier (Executive Director, Mining Industry Human Resource Council): Thank you, Mr. Chair and members of the committee, for the opportunity to appear as a witness and address the standing committee this afternoon. I'm certainly pleased to be here.

My name is Ryan Montpellier. I am the executive director of the Mining Industry Human Resources Council, also known as MiHR. MiHR is a public-private partnership between the federal government, through the HRSDC sector council program, and the Canadian mining sector.

As I'm sure a number of you are aware, earlier this year Minister Diane Finley announced changes to the sector council program and changes to the funding for our organization. Although this will have a fairly significant impact on the Mining Industry HR Council going forward, we are exploring all options to mitigate against this loss of funding. We do plan on continuing to identify and address the HR challenges facing the mining industry.

But on that note, that's not why I'm here today. I'm here today to provide a bit more information that I think will be relevant to you in regard to the labour market situation facing the Canadian mining industry and specifically to talk about the importance of aboriginal people in mining. I'd also like to highlight one specific program of the council, which is called Mining Essentials, a very innovative way in which the mining industry and aboriginal people are working together to gain the critical skills needed by the sector.

On that note, today the Canadian mining industry is really facing the perfect storm. According to the Mining Association of Canada, the industry has almost \$140 billion in new mining projects, either for expansion or for new projects in the permitting stages. This rapid expansion of the sector will put significant pressure on an already strained labour market.

The mining sector is also not immune to the aging of the Canadian workforce. In fact, approximately 40% of the current mining sector workforce today is over 50 years old, making it one of the oldest sectors in Canada, and about a third of the industry will be eligible to retire in the next four years.

Further compounding this challenge are the industry's challenges in attracting youth. Youth continue to hold negative perceptions associated with the mining industry; the stereotypes of what the industry may have been 50 years ago still are felt today in our schools.

All of this translates into a very daunting challenge for the mining sector: the need to recruit approximately 115,000 new people over the next 10 years. That is based on a very moderate growth scenario. If that \$140 billion in the permitting stages actually comes to fruition, the number of people needed by the mining industry will quickly top 150,000.

How do we address this challenge?

The industry really needs to take a two-pronged approach. The first strategy is to make better use of all potential sources of supply. This means continued efforts to attract, recruit, and retain youth, women, new Canadians, aboriginal people, and older workers. Also,

mining companies will need to continue to maintain and expand their investments in training and develop people in proximity to their mine operations. For the most part, as all of you know, these are in rural and remote communities.

The trend over the past 10 or 15 years has been the creation of a fly in and fly out workforce, or a commuter workforce. Although there are benefits to that and it can be a very effective solution, it is a very costly model. Turnover is much higher in these situations. It also causes significant social challenges with respect to family life.

There's simply a better solution, and that is to attract people and develop people locally and have them share equally in the economic benefit of the mine operations.

The second way of approaching this challenge is going to be through productivity increases. Increasingly, industry will need to rely upon improved investments yielding productivity gains. Investments into new equipment and technology will lead to less people requirements but will mean that the individuals the mining sector needs will need a much higher skill set. This is something the industry is challenged with today.

As I mentioned earlier when listing the number of potential sources of supply, I highlighted aboriginal people. This is one of the key pillars and strategies of the mining industry to address its skills challenge.

● (1640)

As you all know, several mining companies operate their mines in close proximity to aboriginal communities. In fact, the mining sector is the largest private sector employer of aboriginal people. Approximately 7.5% of the current national mining workforce self-identify as aboriginal people, and that's 2006 census data. From our analysis, that number is closer to 10% today. This represents somewhere between 17,000 to 20,000 aboriginal people currently employed. My understanding is that you heard earlier in the week from Cameco. Cameco is one excellent example of a mining company leading the charge in this area. They're not the only one, but they're certainly doing some excellent work at attracting and retaining aboriginal talent.

Today, there are over 175 agreements between aboriginal communities and mining, mineral, and exploration companies. Many of these agreements have very specific targets with respect to employment. However, one of the key challenges that mining companies are facing in fulfilling those employment targets is finding the right people with the right skills at the right time. There are certainly challenges with respect to essential skills and work readiness.

In that regard, any investment that can be made to increase the level of essential skills in rural and remote communities, and in aboriginal communities particularly, would be a wise and strategic investment. To that end, the ASEP program in particular has yielded some very strong results for the mining sector in the past decade, and we would certainly encourage the next version of the ASEP program to continue to have the education to employment link that was so prevalent in the ASEP program.

Finally, I would simply like to highlight one specific example of an innovative program that I think would be relevant to the work of this committee. The program is called Mining Essentials. It is a pre-employment, work-readiness training program targeting aboriginal youth. Mining Essentials is a partnership between the MiHR Council and the Assembly of First Nations, and was developed in 2010 and the early part of 2011 under the guidance of a broad steering committee, including not only first nations, but the Métis and Inuit, and also including representation from the mining sector, aboriginal trainers, and a number of other stakeholders.

The purpose of this program is to increase the involvement and engagement of aboriginal people in the mining and exploration sector by providing work-ready and essential skills training needed to gain meaningful employment. The program teaches skills using industry examples, industry tools, industry documents, and industry situations. However, they teach these things using traditional aboriginal teaching methods and aboriginal culture. It's an innovative and customized approach to pre-employment mine readiness. The training requires delivery partnerships between mining companies, mine trainers, community leaders, and aboriginal elders, and it takes a holistic approach to essential skills and work readiness training.

The first four participating sites produced a 70% success rate, and the majority of the graduates have moved on to gain employment or to pursue further education in the mining sector. Already, in the latter part of this year, and in 2012, there are nine different training institutions across Canada—including community colleges, ASEP recipients, and aboriginal training centres—that are adopting mining essentials and will be training this across the country. We expect several others will be joining shortly as well.

On that note, if you want more information on any of these programs, I invite you to visit the www.aboriginalmining.ca or the council's website at www.mihr.ca.

Thank you once again for the opportunity, and I certainly welcome any questions.

• (1645)

The Chair: Thank you, and certainly after we've finished the presentations there will be rounds of questioning.

Go ahead.

Mr. Scott Jobin-Bevans (President, Prospectors and Developers Association of Canada (PDAC)): Good afternoon, Mr. Chair and committee members. My name is Scott Jobin-Bevans. I am president of the Prospectors and Developers Association of Canada, or PDAC. I'm here with Glenn Nolan, the PDAC's first vice-president. We are both volunteers with the association and our careers are actually in the mineral industry. I'm a geologist by training. I've worked all around the world for the last 20 years in geological consulting. I'm a co-founder of a consulting company, Caracle Creek, and have been exposed to many areas of our industry on the mining and exploration side.

Glenn works with Noront Resources, where he's vice-president, aboriginal affairs, and if you know Noront Resources, you'll know it is involved with the Ring of Fire discovery area in Ontario, in the James Bay lowlands. Glenn is also a member of the Missanabie Cree First Nation and a past chief.

The PDAC represents about 8,000 members, individual and corporate. We exist to protect and promote mineral exploration and to ensure a robust mining industry in Canada and for our membership around the world. We encourage the highest standards of technical, environmental, safety, and social practices in Canada and internationally.

I do thank you for the invitation to be here today and to offer our comments on skills development in remote rural communities.

The mining industry, and in particular the mineral exploration sector, is familiar with the matters being studied by this committee. Our member companies operate in remote areas of Canada. Many of the operations are small scale, with perhaps half a dozen full-time employees and a great number of seasonal staff performing a variety of tasks in support of mineral exploration. Across Canada, mineral exploration and mining are the lifeblood for small rural communities.

Throughout the economic turmoil of the past few years, exploration and mining companies have continued to invest in Canadian projects, creating jobs and new businesses that support the industry. Many of these businesses are aboriginal owned and operated, and this leads to new opportunities throughout the country. Our mining industry is a story of success and a fundamental driver of Canada's economy.

In 2010, the mining industry paid some \$8.4 billion to governments in taxes and royalties and employed well over 300,000 people. The mining industry is the largest private sector employer of aboriginal Canadians. Since 1996, the mining sector has seen an increase of 43% in its aboriginal workforce, and aboriginal Canadians now make up about 7.5% of the mining labour force.

Mineral exploration is the essential first step in the mining cycle, and Canada does have a number of features that make it a very attractive investment and, as we like to say, number one in the world. We have good geology, good information available through our public geoscience mapping programs, a workforce with access to a number of training initiatives, and a very competitive tax system that includes our flow-through share financing and the mineral exploration tax credit, both of which are unique to Canada and make us the envy of the world. In 2011, it is estimated that exploration expenditures in Canada will exceed \$3.1 billion, a significant increase over the \$2.6 billion that was invested in 2010.

This committee is interested in identifying ways of encouraging economic and skills development in remote rural communities, including public-private partnerships, best practices, aboriginal education, and encouraging the private sector to invest more in these communities.

The first two recommendations in the Canadian Chamber of Commerce report, “The Business Case for Investing in Canada's Remote Communities”, focus on education and training, calling on the federal government to review the funding formula for education in first nations communities to ensure parity with the provincial financing model and to ensure the skills and training programs are flexible enough to accommodate the economic realities of individual communities. There are many good recommendations in this report, and it is appropriate that education and training be given this attention.

The report also mentions private sector initiatives, and I'd like to talk about one at the PDAC that is fundamental to the work we do. It's called the PDAC Mining Matters. Mining Matters is a charitable organization dedicated to bringing Canada's geology and mineral resources to students, educators, and the general public. The organization provides current information about rocks, minerals, metals, and mining, and offers exceptional educational resources that meet provincial curriculum expectations. Core to the program are the Mining Matters junior, intermediate, and senior educational resources, created by educators and earth science experts.

• (1650)

Mining Matters has reached an estimated 450,000 teachers, students, and members of the general public since its inception in 1994. This is an impressive number. Mining Matters is now in its 11th year of offering aboriginal youth outreach programs, which include educational summer camps for ages 9 to 65, professional development workshops for teachers, and student workshops.

Since 2003, Mining Matters has delivered 41 workshops to 363 teachers in aboriginal communities, who oversee the education of an estimated 5,400 students. Since 2006, Mining Matters has delivered 19 mining rocks earth science camps for aboriginal communities, reaching 485 youths and adults. The earth science camps are designed to engage the youth in resource materials, field trips, authentic data, and activities that explore the technological advances that have made Canada a world leader in mineral exploration and mining.

In 2010, Mining Matters organized a workshop in Baker Lake, which brought together youth from five Nunavut communities. The program was conducted at the site of Agnico-Eagle's Meadowbank Mine. In 2011, Mining Matters delivered 10 earth science camps for aboriginal communities in Ontario and Manitoba, reaching nearly 250 youths and adults with our specialized learning activities. The camp engages many partners from industry, government, academia, and aboriginal communities.

Benefits of the aboriginal outreach program include educational initiatives that improve the quality of education for youth, including literacy, science and math, teamwork, technology, problem solving, critical thinking, earth sciences, mineral exploration, mining, the environment, and future career opportunities.

The program is organized with aboriginal input for all community camps. It supports the local economy, including opportunities for staff employment in camp as well as in services and supply. This leads to enhanced relationships between aboriginal communities, resource sectors, and government.

If members of the committee would like more information on the Mining Matters program, we'd be pleased to provide it.

I must stress that the Mining Matters program has no core government funding. It receives its funding through fundraising, and more than half of it comes through donations from individuals and corporate people. It is quite a successful program.

In conclusion, I'd like to thank the committee again for giving us this opportunity. Glenn Nolan and I would be happy to answer any questions you may have.

The Chair: Thank you for that presentation.

We'll move to the first round of questioning with Mr. Thibeault.

Go ahead.

Mr. Glenn Thibeault (Sudbury, NDP): Thank you, Chair, and my thanks to the witnesses for being here today. I guess I could ask anyone who has ever cheered for the Sudbury Wolves to raise your hands—there we go.

Being from Sudbury, I know the importance of mining to my community, my province, and our great country. Over the last three years, as the MP for Sudbury and prior to that in my role as the executive director of the United Way, I got to know the leaders in the mining community in Sudbury. From Vale to Xstrata Nickel, all of them were saying that production in our facilities will start to slow down if we don't find ways to bring workers and miners into our communities. So even though we live in an urban centre, we still see the same issues that you're seeing in northern parts of Canada and Ontario.

We would all agree that what we are seeing in Attawapiskat is truly horrible. We have the largest diamond mine in North America, I believe, in their area. De Beers has been trying to get people employment, but unfortunately the available skills don't match the demand. The Ring of Fire is fantastic news for northern Ontario—for all communities, all the way down from the train tracks to the infrastructure construction and everything that goes with it.

Your organization is looking at getting a jump on providing the training to the first nations communities, who are there already, before the first shovel goes into the ground. I'll open that up to start off with.

• (1655)

Mr. Scott Jobin-Bevans: I'll ask Glenn to say some words about that since he's involved with it.

Mr. Glenn Nolan (Vice-President, Prospectors and Developers Association of Canada (PDAC)): Thank you for that question. From having been intimately involved in the development of the project up to now, from the discovery in 2007, the issue is trying to determine who is ready to be employed, and from there, finding out which members are willing to be employed but don't have the skill set, and then developing programs to identify those two groups.

That's where we started our program. We went into the communities and did skills assessment and job readiness. From there, our company—and I can only speak for our company—started providing training in safety and specific equipment training so they could come and work on our project. Obviously, we're at the early stages of our development. As we go forward, we are looking for other opportunities to train them so they become part of our crew as the development continues. Also, when the mine starts production, we will have a ready workforce that will have a significant amount of training and job experience of just being on site and being part of the workforce.

Mr. Glenn Thibeault: That's great.

Mr. Glenn Nolan: We think that's critical. We want to do it early and get as many ready as possible.

Mr. Glenn Thibeault: That's excellent.

In the north, and I will talk specifically of Sudbury, there are three post-secondary education facilities. One of these facilities put together mobile skills training centres. I believe they wanted to put forward four. They were able to put forward two. Two of those were supported by the private sector—mining companies, of course—so if you're looking at diamond drilling or whatever it is, this training can happen.

The other two were requested through government funding. We're hearing more and more that it's being denied and that we don't have the money to pay for these types of things. If we're looking at the comments you made earlier, in terms of the royalties we're paying to all levels of government, should there not be some type of investment from all levels of government to ensure there are mobile centres and training is happening throughout the north, so those communities get the necessary skills and they can be employed as soon as the mines open?

Mr. Glenn Nolan: One of the things we are seeing in Ontario is that we have a consortium of colleges and training centres working together. Confederation College, Sault College, Northern College, and Cambrian College have come together to provide mining readiness training, whether it's diamond drilling or common core—surface or underground. I think it's critical that we continue to work together.

We're still working in silos. Our company is working independently from other organizations. We don't have the staff to reach out and work with others. We're attempting to do something like that, working with other mining organizations like Goldcorp, De Beers, and Detour Gold so we can develop a common training program that we can all tap into and have one set of management to help defray some of the costs. I think that's critical, but right now we don't have the resources to come together and develop it to the extent we'd like to.

• (1700)

The Chair: Thank you. Your time is up.

I will move to Mr. Daniel. Go ahead.

Mr. Joe Daniel (Don Valley East, CPC): Thank you, Chair.

Thank you very much for coming to be here with us this afternoon.

You obviously have a very tall order to fulfill all these requirements for close to 150,000 jobs over the next little while. What portion of those jobs is going to be filled by aboriginals?

Mr. Ryan Montpellier: I can't give you a specific percentage. I think we're all aware of the aboriginal baby boom that has occurred in this country. Given the proximity of mine sites to aboriginal communities, it will certainly be an increasingly important source of skilled labour. I don't have a specific number to give you, but I can say aboriginal participation in the mining industry has increased 40% from one census to the next. I would expect that number to continue to increase as new mines continue to develop and open in proximity to aboriginal communities.

Mr. Glenn Nolan: I would also say that it's not just the direct employment that's going to affect the aboriginal communities. It's the business that's going to be developed around that, that's going to be owned and operated by communities. They need to have that opportunity to train their own members on management of those companies, whether through a partnership or some sort of training program where they can be a sole-source operator. It's critical at this time that we look at the whole picture instead of just trying to find a welder or a scoop-tram operator. We need to find the opportunities for entrepreneurs to take that risk and go forward to owning businesses that provide a service or supply to the industry.

Mr. Joe Daniel: You can't take a rough guess at whether it's 10% or 50%?

Mr. Glenn Nolan: If I may speak, from our company, we want to maximize. We think putting a ceiling on a percentage of what we want to hire in the way of an aboriginal workforce is doing the aboriginal workforce a disservice. We want to hire as many as possible. We have a small camp right now, but we went from less than 10% to over 50% of our workforce being aboriginal two years later.

Mr. Joe Daniel: I wasn't looking at suggesting putting a cap on it. It affects the rest of immigration and your other policy to actually try to fulfill some of your requirements, right?

Mr. Glenn Nolan: Yes.

Mr. Joe Daniel: Go ahead, sir.

Mr. Ryan Montpellier: I think the objective of most mining companies is to have a workforce that is reflective of the communities in which they operate. Certainly, mines that operate in northern communities want to have a larger participation of aboriginal people. But there are traditional mines that are almost in urban centres that have very little participation of females, for example, and there are a number of reasons for that. But efforts are being taken today with respect to workplace diversity, with respect to inclusion initiatives—efforts that some of the more established mines as well as some of the new mines are taking to institute practices, policies, and just a culture, in order to be much more diverse than the industry has been in the past.

Mr. Joe Daniel: Okay.

Obviously this is almost like hitting the lottery with the amount of work that's coming into that area and the potential for it. Is this actually having a positive effect on the local community or is this creating additional problems that we should also be addressing?

Mr. Glenn Nolan: I think with any kind of development, regardless of where it occurs, you're going to have social problems that accompany it. It's just the nature of the influx of new workers and money—having money when individuals never had that amount of money before. We've seen it time and time again in any kind of project. I think companies, though, are very aware of that. As part of our agreement with aboriginal communities, we deal with the social issues that we know of, and we deal with them through discussions with the communities. They help us identify other areas where they may have concerns, and we will try to deal with that through our impact benefit agreements, or whatever the agreements are called.

• (1705)

Mr. Joe Daniel: Are there any other comments?

Mr. Scott Jobin-Bevans: I would just add that this is not unique to Canada. There's a very large global population of competition out there. Call it any number you want, it's a critical issue of 100,000-plus workers in 10 years. We're facing the competition of exporting our skills, and that's happening all the time, so take that as a minimum.

Mr. Joe Daniel: Do I have time?

The Chair: Your time is up.

We'll move to Ms. Crowder.

Ms. Jean Crowder: Thank you.

I'll be sharing my time with Madame Moore.

I just have a very quick question for Mr. Montpellier.

At the beginning of your presentation you talked about the sector councils. Of course, they have provided excellent labour market information on long-term human resource planning. What kind of impact do you see with the change in funding?

Mr. Ryan Montpellier: There are currently 34 sector councils in Canada. A number of the sector councils developed over the years, and I think some were providing very solid labour market information and intelligence for their sectors while others were maybe not as relevant for their respective sectors.

I can only speak for myself and the mining council. The change in funding will certainly have a significant impact on the organization. However, I think we've established strong partnerships with the mining sector and have a fairly diversified funding base at this point, so we will continue to provide labour market intelligence to our stakeholders. They certainly value it and are willing to fund portions of it.

We're in the midst of a bit of a transition as an organization, but our priority remains to provide accurate and timely labour market intelligence and solutions to the industry's human resource challenges.

Ms. Jean Crowder: As we know, without accurate and timely long-term information, it's difficult to make the kind of investment we're talking about in these skills.

Mr. Ryan Montpellier: Absolutely. I've been with your organization for eight years, and eight years ago mining companies were not talking about workforce planning. It was very much dictated by ore out of the ground, production for the quarter, and quarterly results, and you didn't see workforce planners employed. The position didn't exist in mining companies

Today you see a lot more of that. Mining companies are taking a much more strategic and long-term approach to workforce planning. They're not just looking six months out; they're looking two, five, and ten years out. They know it's workforce planning for the life of the mine, not necessarily for the quarter. I've seen a change in the industry's approach to human resource management and workforce planning.

Ms. Jean Crowder: Great. Thank you.

I'll turn it over to Madame Moore.

[*Translation*]

Ms. Christine Moore: I have a few questions for you about mining. I come from the mining region of Abitibi-Témiscamingue, in Quebec. I have become quite familiar with the industry. It is becoming increasingly common for manual labourers to not be hired by mining companies, but rather by subcontractors, who are in turn hired by mining companies. The wages those subcontractors pay are not very different from those mining companies pay. However, training and skills development programs are provided by the mining companies themselves. That means that people employed by subcontractors cannot participate in those programs. Yet, they are the ones working in the mines.

How can we ensure that manual labourers can develop their skills and acquire new skills if they are not directly employed by the mining companies, but rather by subcontractors who do not offer those programs?

Mr. Ryan Montpellier: Actually, businesses outsource skills development. That's a problem, and it is a trend that has developed in the industry over the last few years. However, subcontractors also have access to the mine. They are usually the ones providing training in the mines for large mining corporations. Some agreements on training are in place between subcontractors and large mining companies.

That's also a way for large mining companies to recruit. They entrust subcontracting companies with recruitment. These subcontractors are therefore responsible for recruiting and training workers. Once those workers have been trained, large mining companies coach the employees and bring them on board.

That system has developed over the last few years. I can't say that this is the best practice, but it is how mining companies have decided to recruit.

• (1710)

Ms. Christine Moore: There is nevertheless an obstacle involved. Let's take the example of someone who has undergone professional training and wants to go through technical training at a college. If that person was employed by a mining company, they would have access to the company's grants and special programs used for fostering its employees' professional development. However, as they are employed by a subcontractor, they don't have access to that.

People often work for some 10 years for one subcontractor or another before they finally get hired by the mining company itself. After 10 years, they no longer want to go back to school for training. Who would want to spend three years in college, running around and studying like crazy, with children waiting at home? People—

[English]

The Chair: Ms. Moore, your time is up. I've allowed you to go a little extra, but if you want to conclude, maybe give a short response.

[Translation]

Ms. Christine Moore: It's just that they cannot go to school while they still want to.

Mr. Ryan Montpellier: You are right. That's an accurate picture of the current situation in mining. I can only tell you that subcontractors are now beginning to offer similar programs to their employees, as they also have to get through this difficult period. It is currently hard to recruit workers and hold on to them. So, subcontractors are also trying to keep their workers by making the same programs available to them.

[English]

The Chair: Thank you.

We'll move to Mr. McColeman for five minutes.

Mr. Phil McColeman (Brant, CPC): Thank you, Chairman, and thank you, gentlemen, for being here today.

It's reminiscent of industry discussions that I had, prior to becoming a politician, in the construction industry as the head of the Ontario Home Builders. I really am biased, and I'll state my bias.

I think the two programs you have talked about, Mining Essentials and Mining Matters, are industry-driven. Is that a fair comment? They're driven by the actual players in your industry. They know what their needs are; these are a creation of industry players, companies, and associated beneficiaries, I suppose, of the mining industry coming together and saying, this is what we need and we're going to create it.

This is a lead-in to my question, which is, what more can be done by the industry beyond this? You have a critical issue. It's actually, from my point of view, a good problem to have. I'd rather have this kind of problem as a businessperson versus no prospect of jobs and having to hand out pink slips.

I guess what I'm asking is, what are you hearing from the other companies? Ultimately the companies are there to make a profit and prosper, and in the process, everybody prospers—or their corporate responsibility is to make sure everybody prospers across the communities they're involved with. I think this corporate responsibility is being mentioned, not only by our previous witnesses but also by yourselves.

In terms of solutions going forward, do a bit of blue-skying here for us, if you wouldn't mind. Make comments about where you see the industry could drive it and take it into the future. Just go across the table, if you wouldn't mind.

Mr. Scott Jobin-Bevans: I think there is obviously that fundamental drive by industry to improve their industry, so they're going to be at the table all along. I think it's the real, on-the-ground,

in-the-field skills development that we're missing in this country. If we had schools that were more technically based or hands-on technical-type schools, colleges, and that sort of thing....

It's not really the upper end that the industry is actually after at this point. It's more the labour side. It's more the geotechnicians—the people who have skills for not only mineral exploration and the fundamentals in mineral exploration, but also just practical experience. I don't know if that helps.

It's something that we notice. You can have BScs, MScs, and PhDs, but that's not really what's required.

• (1715)

Mr. Phil McColeman: Can I interject before I go to the other gentlemen, not to cut you guys off.

If I might interpret that in my own mind, it would be perhaps something like what RIM has done in Waterloo, which is a high-tech industry that makes BlackBerry's. They have taken some of their corporate profits and put them into the Perimeter Institute to develop the kind of talent they need in the future.

It's a kind of private-public—in their case they have solely funded it. But even if the public were to get involved with tax dollars, private-public partnerships—perhaps in a polytechnic or a community college of sorts that would train up the skills that you're looking for—is that something that's feasible in your mind?

Mr. Scott Jobin-Bevans: I'll let Ryan take it in a second, but I'd say that the ASEP program was a good example of that because it actually developed skills that were needed by the industry, specific skill sets. Those types of programs are what I'm speaking about, I suppose.

Mr. Ryan Montpellier: It's a good question, and it's a difficult one to answer.

I think most mines today have a finite life. By the time the mine moves into a community, builds the mine, extracts the resource, and moves out, you want to make sure that the mining company leaves a legacy. And that legacy often is a very skilled and competent workforce that can then move on to other opportunities, be it in the mining sector or other sectors, because they have transferrable skills now that can be applied to other sectors.

We see that in a number of mining communities today, where a mining company will come in and hire somebody where the hiring requirement is a high school minimum. The individual doesn't have a high school diploma, but they will still be hired. The company will provide the employee with company time to go off and write that GED or the high school equivalent, or to fund a technician or technology degree—something along those lines so they can get the most value out of the employee during the course of the mine. But when, in time, the mine does close—and we all know they eventually all do—this workforce is not left with nothing. They are left with a legacy, which is often a very skilled workforce.

The Chair: Thank you for that exchange.

We'll move on now to Mr. Cuzner to conclude the questioning.

Mr. Rodger Cuzner: Thanks very much for being here, guys. I appreciate your comments.

Could you fill me in a little bit more on the Mining Matters stuff? It sounds like a neat idea. You say there are three tiers, three levels, to it. Do you go into a school system and take it over a period of time? I would imagine the first one is just to sort of kindle some kind of interest in geology and exploration and what have you, and then it goes from there. Could you expand on what it is you want to get out of it?

Mr. Scott Jobin-Bevans: Sure. It was really developed and backed by industry to bring geosciences into the curriculum. That was the main target at the beginning, really. So we slipstream into the Ontario curriculum. I can't remember the exact age. We'll say grades 2 or 3, and then the mid-tier is around grades 6 and 7, and there's even a grade 11 component, and it is to engage them and teach them about geosciences. We go into the schools and teach the teachers how to teach about geoscience.

Mr. Rodger Cuzner: It's a teach the teacher thing?

Mr. Scott Jobin-Bevans: Yes, there's that component as well, and we make it very low cost. I think it's something in the order of \$60 to come into the session to learn how to teach it. We have toolkits that we give them, including the materials to demonstrate with.

Mr. Rodger Cuzner: Would you go to a remote community with this as well?

Mr. Glenn Nolan: Yes.

• (1720)

Mr. Rodger Cuzner: Give me an example of how small a community you would go to.

Mr. Glenn Nolan: Noront sponsors Mining Matters to go into communities with as few as 28 or 30 children. For us, it's about providing the idea that there are other options for the children. Most children don't see geologists, they don't see engineers. They don't experience what the industry has to offer in their community because there are limited employment opportunities. This provides them with a larger picture from which they can now start to choose when they start to consider opportunities.

I think back to when I was a young kid. My father was a welder, and that's what I wanted to be, because I had a role model, and I think that's what kids need to see.

Mr. Rodger Cuzner: There was a witness the other day who mentioned that everybody in one particular community wanted to drive a bulldozer, because that's what they were seeing as well.

It sounds like a neat program that would have an impact. Are you able to measure your success with the program?

Mr. Glenn Nolan: There are indicators to demonstrate success. I don't have those in front of me, but they have a certain response mechanism that demonstrates how many kids are actually informed. I think we can get that information for you.

Mr. Rodger Cuzner: Okay. It just sounded like a neat program.

Mr. Scott Jobin-Bevans: I would just add that, in a very short time—through MiHR, for instance, and their work in the exploration

side on statistics—we have seen a nice increase actually in youth who are interested and engaged in the geosciences, quite a nice bump actually, and that's just recent data.

So we hope we'll see that transition through, and an increase in the next five to 10 years.

For us, the big thing about the program is that it opens the eyes, as Glenn pointed out, to career opportunities that they may never have thought of. And we're moving into other provinces. We're translating into French to go into Quebec. We're trying to move into Manitoba. You know, it takes time.

Mr. Rodger Cuzner: Absolutely.

I have a question for Mr. Montpellier. You indicated that there would be some sectors that would be able to step back and reassess the cancellation of the federal funding and still be able to provide, but that there will be some casualties here.

First of all, is there a dollar amount, a global dollar amount, that has been cut?

Mr. Ryan Montpellier: There is. My understanding for the sector council program as a whole was in the order of \$75 million to \$80 million a year. When they announced the cut to the sector council program, Minister Finley announced a new fund that would focus on labour market information, national occupational standards, and certification and accreditation programs. That, for us, is quite strategic and aligns with our direction in our sector.

Mr. Rodger Cuzner: But there would be other sectors that would be—

Mr. Ryan Montpellier: Yes, there are a number of sectors that will no longer continue their operation and some sector councils will fold. Some of them already have announced they will, and others will continue.

Mr. Rodger Cuzner: And what do you see—

The Chair: Your time is up, so if you can make it short.... Do you want to pursue something?

Mr. Rodger Cuzner: The final question would be, what do you see as some of the negative outcomes of that, not being able to provide for them to go forward?

The Chair: A short response, if you can.

Mr. Ryan Montpellier: For some organizations, I think there will be a lack of labour market intelligence. For some sectors, if their industries truly value that information they'll find a way to continue to generate it on their own. But I think the information will be less comprehensive.

The Chair: Thank you very much for your presentation. We certainly appreciate that.

We have some committee business, so we'll suspend for a moment for you to be able to leave.

I'd ask committee members to stay back for a few moments. I'd like to deal with some of the business going forward.

[Proceedings continue in camera]

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