

# **Hebron Public Review Commission**

## Hebron Development Application

### **Record of Proceedings**

Public Review Sessions, Day 9:  
Benefits Plan Session

5 December 2011

Delta St. John's Hotel and Conference Centre  
St. John's, Newfoundland and Labrador

## **Public Review Commission**

Commissioner: Mr. Miller Ayre

Official Clerk: Ed Foran

## **Proponent:** **ExxonMobil Canada Properties**

Senior Project Manager for Hebron Project &  
Vice-President of ExxonMobil Canada Limited: Geoff Parker

Hebron Project Technical Manager: Dave McCurdy

# **Public Sessions, Day 9**

## Benefits Plan

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**COMMISSIONER'S OPENING REMARKS**

**COMMISSIONER (Miller Ayre):** (Not recording not turned on)... and organizations that have presented and submitted material, we can see that the interest level high in this particular project. And I have no doubt that the contributions during the last week will be equally important and useful.

According to my Terms of Reference issued by C-NLOPB, in accordance with the Atlantic Accord Acts, I've been asked to complete an independent assessment and review of the Hebron Project Development Application to include: considerations of human safety and environmental protection incorporated into the proposed design and operation of the project; the general approach to the proposed and potential development and exploitation of the petroleum resources within the Hebron Significant Discovery Area; the resulting benefits that are expected to accrue to the Province of Newfoundland and Labrador and to Canada, having particular regard to the requirements for a Canada-Newfoundland and Labrador Benefits Plan; and a consideration of the matters dealt with in the Development Plan Guidelines and the Benefit Plan Guidelines.

Questions of energy policy, jurisdiction, the fiscal or royalty regime of the governments, the division of revenues between the Government of Canada and the Government of Newfoundland and Labrador, or matters which go beyond the potential or proposed development of the Hebron Significant Discovery Area are topics not under my review.

On behalf of the Proponents of the Hebron Project ExxonMobil sent the Development Application to the Board by ExxonMobil for a completeness review. The Board deemed that the application was in compliance with regulations and forwarded the documents to me for public review on August the 25th, 2011. I have 128 days from August the 25th, when the Development Application was forwarded to me, till the time that my final report must be written and submitted to the Board.

Public input was solicited during two stages of the Review process: during the additional information review, which is now completed; and during the Public Review sessions, and here we are.

The sessions give ExxonMobil the opportunity to explain the project to the public, individuals and groups, while presenting their views at the sessions as scheduled.

All questions will be directed through me. As Commissioner, I can also ask questions as issues arise. The atmosphere of these sessions will be less formal than a courtroom environment, but there will be some formality.

After my remarks, ExxonMobil will then take some time to discuss the project, followed by questions outstanding from previous sessions. After a short break, we'll hear from scheduled

presenters. Each presentation of 15 or 20 minutes will normally be followed by a Question and Answer period. There is a box with three lights on the speaker's podium: green, yellow to give a five-minute warning, and a flashing red light telling you it's time to sum up.

Each session is being taped and transcriptions of each session will be prepared. Speakers are reminded to please identify themselves by name and organization for the transcriptionist when they speak first. Unofficial transcripts of the session will be provided on a typical 72-hour delay on our website, and will contain a disclaimer stating these are the unofficial transcripts. When the transcripts have been reviewed by the Commission for obvious errors, the official transcripts will be posted.

My expectation is that these sessions are respectful and formative and a firm platform for dialogue between all parties.

Before starting the presentations, I would like to introduce my team to you: Ed Foran, our Project Manager, is with me at this table, and he also acts as the Official Clerk for the proceedings; Shannon Lewis-Simpson, Communications Manager, who's liaisoning with the presenters, and most of you have heard from is over here, nodding her head; and Claudine Murray, our Office Manager and organizer of all things that we would get wrong if we try to do them ourselves, is smirking at knowing at last the truth is out.

Now, as is customary we do like to take a safety minute here and make sure everyone is aware of where the exit signs are. There was one where you came in, and there is another one right here; both of which lead out of the area into a safe spot, and out of the building, ultimately, should you find the bells are ringing or there is an emergency that is signaled to you.

So, that concludes my introductory remarks which are largely a legal requirement. Much of it is just to make sure that publicly we've stated the obligations and the various legal requirements have been met in reaching this stage of the proceedings. So I apologize to some extent for the monotonous component of those remarks but there it is. Hopefully the presentations, of course, will take on another kind of spirit.

And, Geoff, now that I've set the stage by boring everyone to death, we'll get you to speak.

## **PROPONENT'S PRESENTATION**

**GEOFF PARKER:** Thank you, Commissioner. The safety moment actually reminded me that when we were here on Thursday night for the Festival of Trees dinner for the Canadian Cancer Society, we had a fire alarm, in this hotel. So that piece of your opening presentation is definitely not boring and is of interest. There was a chiming bell which meant that you were meant to, which was stage one, which was you prepared to evacuate, and we didn't actually get to the next stage because the firemen came and found that it was just a burst water main. It just shows that it is always good to know where the exits are. So, thank you.

Good morning. And first, on behalf of the entire Hebron team, I would like to thank you for the opportunity today, and in the coming days, to talk about the Hebron Project. We are very proud of the project and the work that has been done on it to date.

During the sessions we'll talk about our fundamental commitments to safety and protecting the environment, as well as our general approach to the proposed and potential development of the petroleum resources within the Hebron Significant Discovery Area.

We will outline our framework that ExxonMobil has created to put these commitments into action. That framework is called the Operations Integrity Management System, or OIMS for short. OIMS is a structured and rigorous approach to identifying hazards and managing risks. We'll also cover the tremendous benefits the Hebron Project represents for the people of this province and the entire country, and we'll explain how the project will meet the requirements of the Benefits Plan.

But before we get into that, I'd like to give you a little background on myself and my colleague joining me today at the table, Mike Ryan. I'm Geoff Parker, and I'm the Senior Project Manager for the Hebron Project and Vice-President of ExxonMobil Canada Limited. I'm an engineering graduate from the University of Western Australia, and I've been with ExxonMobil for more than 20 years. During that time, I've worked on gravity-based structure projects in Australia, Western Europe and Russia.

Mike Ryan is the Operations Manager for the Hebron Project. He's a Memorial University graduate in Mechanical Engineering and has completed a postgraduate diploma in Occupational Safety and Risk Management. He has 20 years of oil and gas industry experience with ExxonMobil, having worked in a number of management positions in Montreal, St. John's, Houston, as well as six years offshore Newfoundland; including three years as the Offshore Installation Manager. Mike joined the Hebron team in July 2010 and returned to Newfoundland with his family.

A lot of work has been undertaken and substantial progress made since the Hebron Agreements were signed by the province and the Hebron co-venturers three years ago.

You can see the names of our co-venturers listed on the slide. They are Chevron, Suncor, Statoil and Nalcor. And we're very pleased to be working with these companies who share our commitment to responsible development.

Our Development Application, which we submitted earlier this year, lays out our plans for the life of the project. We are confident that we have a strong project. Our plans for engineering, construction and operations are being developed to ensure the safety of everyone involved in the project. We've conducted a detailed Environmental Impact Assessment which included significant consultation with external stakeholders through the Comprehensive Study Report process. We have worked diligently to ensure that our project is having a positive socio-economic impact.

The Hebron Project Development Application has been assessed by the Board and deemed to be complete for the purposes of this Public Review. That scrutiny will continue during the Review Process and throughout the remaining Regulatory Process.

The Project Application has been shaped to a significant degree by the input received from a number of parties. The project team consulted with the supply community, postsecondary institutions, municipalities, provincial and federal government officials, the Offshore Petroleum Board, as well as local organizations and other interested parties during the extensive public consultation that has led to the filing of the Development Application.

The Hebron Project has a number of direct benefits for the people of this province. First and foremost, it will provide meaningful jobs and careers for Newfoundlanders and Labradorians; diverse jobs for a diverse workforce.

Furthermore, our investments, combined with the province's equity in the project, plus the royalties and taxes generated from the operation, will help fund provincial infrastructure, social programs, research and development, education and training, and services for decades to come. And it is very important to recognize that the Hebron Project will offset projected declines in oil production offshore Newfoundland and Labrador, and will help meet global energy demand for many years into the future.

During this Review Process, we should keep in mind that the Hebron Project is in the defining stage that occurs prior to detailed engineering and detailed execution planning. And while all details have not been developed at this stage, we can confirm that the engineering and execution plans will be consistent with the Regulations, Development Application and Benefits Agreement.

Commissioner, I'm here today with members of the project team to walk through our plans and answer your questions, as well as the questions from other interested parties. This project is an important one for everyone in the room. If the Development Application is approved and the co-venturers sanction the project, it will benefit virtually everyone in the province.

Now, I will provide a summary of our Development Application starting by outlining the commitments that underpin our plans for development of this world-class resource.

### **Summary of Development Application**

We frame our commitments in terms of the overall mission of successfully delivering the Hebron Project, and we do that while we are achieving world-class levels of safety, security, health and environmental performance. We will be providing substantial benefits to Newfoundland and Labrador, and building and strengthening relationships with the Newfoundland and Labrador community, and ultimately creating an offshore platform that will

operate safely and reliably.

The Development Application itself consists of two primary documents - the Development Plan and the Benefits Plan; and several supporting documents, including the Concept Safety Analysis, the Socio-Economic Impact Statement, the Comprehensive Study Report and the Development Application Summary.

The Development Plan includes a description of the petroleum resource and the offshore platform facility. The petroleum resource was first discovered in 1980, and then further exploration, in 1999, discovered Pool 1, which is the largest of the five pools. Pool 1 is a heavy crude oil. Between the five pools, we estimate recovery of between 660 million barrels of oil to over a billion barrels of oil.

The offshore platform facility that you can see in the schematic on the right consists of a topsides and a GBS. The GBS is the gravity-based structure, which is the concrete piece that's predominantly under the water, and then the topsides is the drilling and production facilities predominantly above the water. The GBS has a single shaft through which 52 wells can be drilled and then the base contains 1.2 million barrels of oil storage.

The topsides facilities are sized for an oil production rate of 150,000 barrels of oil a day, and you can also see that the facilities include a large amount of water injection and that water injection is required to maintain the reservoir pressure so that we can produce the heavy oil that I mentioned in the resource side of the slide.

This slide is intended to provide an overview of the construction plan for the Hebron Platform. The piece on the left-hand side is the topsides, and you can see it consists of several modules: the Utilities Process Module, a Living Quarters Module, Drilling Support Module, Drilling Equipment Module and then the Flare Boom Module. So those pieces are all fabricated and then they come together at the Bull Arm integration site to form what we call an integrated deck. So that's the complete topsides deck there, and while that's being constructed we're building the GBS in the dry dock at the Bull Arm fabrication site. So we build the base of the GBS in the dry dock, and then it floats out nearby to what we call the deepwater site, where the concrete construction is finished while it's in the floating phase. Once the GBS is complete, then this integrated deck that we formed over here from all the topsides modules is floated over on top of the GBS while it's floating and then the complete platform is towed out to the Hebron field where it's set down on the seabed and sits down there under its own weight; hence, it's called a gravity-based structure. It is connected to the pipelines that will export the oil to the offloading systems from where it can be offloaded to export tankers.

So it looks simple on a slide like this, but really, it is a very large, world-scale complex project.

This slide shows the overall time line for the project. You can see that last year we commenced what we call FEED, or the front-end engineering design, and then earlier this year, as the Commissioner said, we filed the Development Application, and then a few months ago

we commenced the preparatory works at the Bull Arm construction site. By the end of this year we are expecting approval of the Comprehensive Study Report which provides the Environmental Impact Statement.

And then we move on to 2012 where we'd commencing the detail design of the topsides and the GBS. We'd be targeting approval of the Development Application, followed by project sanction, and then commencement of construction of the GBS. In 2013, the topsides fabrication would commence, and then we have a several-year construction period till all the pieces come back together to do the hookup and commissioning, which I talked about on the previous slide. And then with the complete platform, we'd be targeting production of first oil in 2017.

We've talked a lot in the last two weeks, and we'll continue to do, talking about safety as our core value, because it really does underlie everything we do during the project, including the construction and the operations phases. It really is important to us that everybody who comes to work on the project goes home at the end of each day in the same healthy condition they were in at the beginning of the day.

We started several years ago to that end in developing and applying programs that we can use during the project construction period, particularly focusing on construction here in Newfoundland and Labrador, and we've been holding safety forums here with many of the local contracting companies where we can share our lessons from construction sites around the world and they can share their lessons from construction sites in the province. We can share lessons, we can share tools, and we very importantly talk about our expectations of "*nobody gets hurt*".

We're really enjoying the partnership with the local contractors and found that they have embraced our safety philosophy and realize that that really is a requirement for working on the Hebron Project.

I've mentioned the framework that puts our safety commitments into action, the Operations Integrity Management System, and I'll talk a little bit more about that here. It consists of 11 elements and those elements are really designed to identify hazards and managing risks, and it's not just about these 11 elements. Underneath those they have 64 detailed expectations laid out for the elements, and then that's underpinned by comprehensive management systems for the various activities that we undertake during both the project development stage, the engineering and construction, but then also during the operations phase, and then all of those comprehensive management systems are supported by procedures and work instructions down to a detailed level.

So, some of the elements of OIMS that we could particularly highlight would be the Risk Assessment and Management, I'll talk about that, Facilities Design and Construction, Personnel and Training, Operations and Maintenance, Management of Change, Incident Investigation. You can see that all of these underpin this overall Operations Integrity Management System

which guides the actions of every member of the Hebron Project team, as well as our third party contractors.

I mentioned Element 2, Risk Assessment and Management, and a good example of that is the Concept Safety Analysis, which forms part of the Development Application. The Concept Safety Analysis occurs back at the concept stage of the engineering and it identifies major hazards associated with a facility taking into account the basic design concepts and the layout and the intended operations. The Concept Safety Analysis assesses the risks to personnel and the environment resulting from these hazards, and then these risks are addressed during the detailed design phase. So you can see the Concept Safety Analysis as being the first step in a structured process for risk management that will continue throughout the engineering, construction and operations phases.

Another piece of the designing a safe platform is shown in the photograph here where we're showing a model test of the GBS in the basin here in St. John's where there's tests being undergone to determine the wave loads on the platform so that it can be designed to safely resist those wave loads.

Element 3 talked about Facilities Design and Construction, and so we can see that safety is really fundamental to the Hebron design processes. Back before we start the engineering, we develop the key philosophies around the design of the platform, including the design basis. Throughout the engineering process we have a structured program of design reviews and hazard identification processes that already begun during the FEED process and then they continue during detail design.

Some of the early safety features incorporated in the platform include hazard detection and emergency shutdown systems, active and passive fire protection, dedicated emergency power, emergency evacuation systems and a gravity-based structure designed to withstand iceberg impact. So you can see the overall system talks about the design for safety. And then having designed and built the platform, we need to look at operating it safely, and so that's where Elements 5 and 6, for example, come in; Element 5, Personnel and Training, and Element 6, Operations and Maintenance, and we include during the design a strong focus on reliability, because we found that a reliable operation is a safe operation.

When an operation is operating in a stable manner, there's less change to be managed and so everything becomes more predictable. We're developing robust procedures and structured inspection and maintenance programs that will continue throughout the life of the facility. In developing those platforms, we incorporate our local best practices, but also our global best practices from our production operations around the world. And we've already started building a team of qualified personnel who can consistently execute those procedures and practices.

So we want to achieve a sustainable culture of safety and really what I see in this slide is talking about working together for safety. We found our safety programs on our fundamental

caring about individuals and you can see that we do begin way back in the design phase and continue throughout the construction, integration, commissioning and operations phases. Some of the initiatives already on the way, you can see on the top right there, there's a slogan, "Actively Caring." To me what that encompasses is a caring about individuals, a caring about the workforce, but also getting everybody involved in the safety program, and that's the act piece in that every person on our project is expect to be a safety leader.

We have a program we call Approaching Others where if you see somebody doing something that you believe may be unsafe or if you want to commend them for doing something safely, we encourage people to go and have a conversation around safety, so during our management walks, for example, where we include, we've already started the Bull Arm construction site, we include craft labour in those management walks, and that's walk around and talk to different people out in the workforce and have a discussion around safety. So this is what this Actively Caring piece is meant to be about. And then you can see there an example of a safety meeting at the Bull Arm construction site where the whole workforce stopped work, came together and talked about some of the safety lessons from some of the near miss incidents that have occurred at the Bull Arm site. In an industry such as ours, the need to manage risk never ends and we cannot relax our commitment to safety and continuous improvement.

Another piece of the development application and the benefits plan, and we'll be talking about this a bit more today, is our Diversity Program. We found our Diversity Program on four pillars in terms of the employment side of diversity. Those pillars are the Skills Development, where we're providing or creating the skills in the workforce to increase the pool of qualified candidates, then having increased that pool we want to be able to recruit those candidates, and then we want to create the supporting work environment that will allow us to retain the very best people, and then we'll follow on with monitoring and reporting. So this is one whole component of the Diversity Program.

And then another component of the Diversity Program is the Business Access or Supplier Diversity Initiatives, and we'll be talking about those a little bit more this afternoon as well.

So under each of these pillars, we've already, even in this pre-sanctioned time frame, begun several initiatives. On the Skills Development side, we've awarded scholarships related to diversity at both Memorial University and the College of North Atlantic. We've started a program with the Association for New Canadians around language training, particularly focused on the oil industry, for qualified people who can come in and work in the oil industry. We have research grants for both research into diversity, as well as research being carried out by diverse people. And then we have the Techsploration Program which we heard about last week as well, and the Girls Exploring Trades and Technology with the Women's Resource Development Council.

On the recruitment side, we have engaged community organizations to advertise jobs to the largest pool of candidates. We really see that if we can tap into the underutilized parts of the workforce, we'll be able to help meet some of the skill shortages that we see coming for the

project. We have sponsored conferences and we've done a lot of outreach and education regarding industry opportunities.

From the supporting work environment side, we have a Senior Management Diversity Steering Committee which is chaired by our president, Meg O'Neill, and we have a full suite of programming to support work-life balance, and then we report and monitor, particularly looking at the statistical analysis of the workforce availability for designated groups. We cascade all of these requirements to our main contractors.

So the Diversity Plan really addresses the federal and provincial regulations and the Benefits Agreement, and is consistent with our corporate drivers' policies and guidelines. It utilizes our proven corporate practices that have resulted in successful implementation of gender and diversity initiatives in our worldwide operations.

Today we'll also be talking a little bit about research and development and some of the example initiatives that we've already commenced. For example, on ice management we've started a research program on how icebergs can be better predicted and managed. We've started a program on looking at more effective ways of trenching so that we'll be able to more effectively find better ways of burying the pipelines in our offshore facilities.

I mentioned the process engineering labs, I've talked about at the College of North Atlantic, where we'll be training potential operators for our offshore platform once it's installed. I talked about the diversity research grants and scholarships. And then another initiative that we recently kicked off is what's called a floating classroom at Coastal Connections where we're funding an education program for students of all ages where they can participate in a hands-on experience related to oceanography and the marine sciences.

So I'll close by just reiterating our commitments, successfully delivering the Hebron Project, and while doing that we will achieve world class levels of safety, security, health and environmental performances. We will provide substantial benefits to Newfoundland and Labrador. We will build and strengthen our relationships with the community and ultimately we'll be creating an offshore platform that everyone can be very proud off. We will operate safely and reliably for many years. Thank you, Commissioner.

**COMMISSIONER (Miller Ayre):** Thank you. Thank you, Geoff. It is common for us in this particular session, this time slot in the session, to discuss outstanding questions from previous sessions. So you go ahead there, I'm sorry. I'm almost high enough not to notice you passing. I'm apologizing in advance to the presenters who look like they're down in a hole compared to where we've been elevated to, in any event.

The questions, Geoff, that we want to reference some outstanding questions that we've perhaps asked over the past week or two that are still outstanding, to reference them and to make a few comments with regard to matters where we'd like to hear a little bit more. And we will provide you with, as we have in the past, with a copy of these remarks for your benefit.

Now, we've checked a couple of things and we know we're still waiting. Question one was with regard to Canada-Newfoundland benefits. The Benefit information provided by the operators to C-NLOPB is summarized and reported by C-NLOPB in its annual reports and to a lesser degree on their website. Nevertheless, the level of detail and timeliness of the procurement and labour information reported, particularly as benchmarks and measurements, is viewed as inadequate, and we've heard this both from labour and supply communities.

The definition of benchmarks and measurements should include a relative breakdown of project phases and components as per White Rose tables when these issues were first encountered and when, after which the C-NLOPB addressed the same kind of issues. On November the 22nd, the Commission asked Exxon Mobil to provide additional information outlining the Benefits Plan for labour and procurement and the Commission provided three brief tables that align with the project phases and components as per Chapter 10 of the Development Plan. The tables generally represent the format provided by Husky and subsequently required in the process of understanding the actual outcomes of both the benefit functions of labour and procurement and which have formed, to some extent, a readjustment of the guidelines established by C-NLOPB. So we feel that these are really part of the process now and we were wondering if we could anticipate receiving that, and I don't know where you are with that, Geoff, or if it's not going to be provide then we'd just like to know now.

**GEOFF PARKER:** We are preparing something, whether it's the complete amount of detail. We'll show you what we're preparing in the next couple of days.

**COMMISSIONER (Miller Ayre):** All right, thank you. There was also the issue of benefits reporting and reporting mechanisms, and the issue of confidentiality. On the 22nd of November, the Commission asked, there were some questions about the amount of benefit information released by the Board and the timeliness of that information. There was a sense that some of the information supplied to the Board, in compliance with reporting requirements, was perhaps unnecessarily tagged as proprietary or confidential, therefore making it difficult for the business community to get an accurate or timely picture of progress on the benchmarks for benefits and the issue of the quarterly reports being public also became an issue.

Have you looked at this issue again in the context of whether, given the fact that it was suggested by NOIA that they don't see a confidentiality problem, assuming there's aggregation occurring, do you have a problem with, have you come to an answer on that really?

**GEOFF PARKER:** We haven't come to an answer. What we struggle with is that it's very difficult to make broad statements around whether there's confidential pieces or not, because, depending on the circumstance, where we're concerned about upsetting the competitive environment, and so sometimes providing that data could be misused by people in terms of us trying to have a competitive procurement process. So that's why we struggle to make a

statement that we don't see any confidential pieces in there.

**COMMISSIONER (Miller Ayre):** Right. But, I mean, if this could continue to be examined, I think it's an issue that we could also refer to the C-NLOPB, who at present seem to report only on an annual basis, and I think we were getting an indication that a quarterly basis would be better, but obviously the quarterly basis make aggregation issues more difficult and some identification of particular amounts or companies or whatever, could be an issue. But I think, I mean, subject to that there didn't seem to be a problem with the actual suppliers of the information within the supplier community with revealing the data. I mean, that's the sense I had, so.

Quarterly reporting is the issue that we're really talking about and in Section 6.2.2 of the Benefit Guidelines, it states, "Effective monitoring and reporting procurement decisions, employment levels and expenditure are necessary to ensure that the principles of the Benefits Plan are being followed as commitments are being met. The Proponent shall submit C-NLOPB benefits reports on a quarterly and annual basis in a format satisfactory to the Board," and then the Board continues to say, "Such reports shall be shared with the public." So I think there's more of an impetus, than all of us realize, to get this into the public domain.

The White Rose Proponent was required to report publicly its quarterly progress towards benefits, and I think everyone is now doing that, but the Hebron Commission has reviewed the White Rose decision and specifically Condition 10 that requires the report to be done quarterly and publicly receive the information at that level and through the C-NLOPB with regard to project commitments in a manner consistent with Appendix D wherein Husky provided specifics on the Benefits Plan and commitments for labour and procurement.

Benefits growth is an area that has been earmarked within the benefits guideline and states that there should be a progressive growth of benefits obtained over the various projects. The information provided to date does not permit an analysis of the variance. Therefore, it continues to be important that we do receive the table as requested above." And I highlight in particular the information we have to date based on the analysis done by Dr. Locke and using the mid points of the information provided in which we have employment in Newfoundland falling from 66 percent in Hibernia down to 40 percent in Hebron. While Canadian employment during that period goes up, the overall average, 78 in Hibernia, does fall to 60 percent in Hebron on the labour component of benefits for Canada-Newfoundland.

Interestingly, the Capex numbers are relatively close in total. The difference is 72 in Hibernia and 68 in Hebron. They were more or less the same. It's actually hard for us to understand why we could have such a variance in labour without a variance in Capex. So there are confusing issues to us that the numbers we're looking for might help us understand. Maybe that particular issue that we've outlined here could be commented on, also as a way of helping us understand.

**GEOFF PARKER:** Yeah. I think it goes back to, some of it, it seems we talked about earlier,

where certainly the Capex, our Capex numbers in the Development Application are preliminary estimates. They'll be constantly updated. We're not at project sanction, so you're comparing those to the outturn numbers from Hibernia, but, also, we talked about some of the pieces that made Hibernia higher both in Capex and in labour. For example, Hibernia built the Bull Arm construction site, so that's part of that overall project. We're not building the Bull Arm construction site, as an example. There was a slide that I showed, and that's, I think, on the record that clearly showed that the scope of work being done for the Hebron Platform, both for engineering and construction, is a larger scope than was done for Hibernia. So to me that's the real piece, is what scope are you doing. The man hours will be what they are. They'll depend on productivity, they'll depend on re-work, they'll depend on many different things, but the piece I can control is the scope, and so if I'm putting more scope in province compared to Hibernia, then that demonstrates the growth, the benefits growth.

**COMMISSIONER (Miller Ayre):** Well, I mean, I understand the point you're making. It will be good if we could get some of these other numbers where there are big divergences that still seem hard to explain just accepting the concept as you outlined it. That's the difficulty we're having.

**GEOFF PARKER:** And the difficult we have is that our processes for cost estimating are really geared up around having a good cost estimate for project sanction, and so that's when the Proponents sit there and say, okay, is this a project that we should move forward with and so all the cost estimates happen as a result of the FEED work that's done, and even there'll be some detailed design work done before that. So all of that is what will feed into what we would consider a much more reliable cost estimate than the sort of early estimates that we'd be putting into development application.

**COMMISSIONER (Miller Ayre):** Well, I can't argue with the reality that we, at some stage we're going to know a lot more than we know now, but if we could, if there was assistance that we can have in getting closer to where that might be or even if you know that your 25 percent ranges on either side are, you can tell if there's something where we can be more certain about numbers, even though we've picked the mid points here, it's possible for there to be a big imbalance given that wide range. I mean, there are a number of issues but I think it is hopefully possible for us to get a grip on some of these things which are outstanding both in our minds and have been outstanding in the minds of people presenting. This is an important process and the timing may not be ideal but the facts are that we do need to get, if at all possible, to levels which previous commissions have gotten with regard to this number. So you may want .... If there's a difference on why that's the case, it may also help, but right now we certainly feel we do need to get closer to what has been provided to other commissions and what's shown up in those reports, and some of that material is quite valuable to the C-NLOPB and ultimately to the final report that we'll make.

Also, I know we've asked a number of times on the question of the five-year issue and it's not .... I understand that your position on this is one on which we have a view that we're concerned about it. We just wanted to say why we're concerned. I can't ask you to change

your view. You're going to make it your objective, and we certainly hope you do, but if there is such a possibility of a one or a two-year, let's say if there happen to be two-year slippage, it would occur, it occurs that, based on the analysis we have, that over the, if you look forward you'll find that that would mean \$1.5 billion of revenue to the province would get shifted from a period in the early '20s to two years further out, as an example. Just the whole revenue line to the province, if this is missed, the revenue line to the province gets pushed further out into the future and there's a point in the early '20s where anticipation of revenue from this project, helping to smooth out the decline from the existing projects that are in place now would, the smoothing out would prevent a fairly big bump in the planning and in the reality that people have to deal with in the province and during those two years. So there's a big difference in the impact on the province if it turned out that the project got delayed and the dollars got shifted.

Now, it isn't that you wouldn't get the 1.5 billion back, maybe 20-50 or something, but for that period when we would be anticipating in the planning process of the province using funds from this project to help smooth the more dramatic decline that would occur, that is anticipated to occur with Hibernia and White Rose, for example, that period of time these monies will be very significant, would require, I think, those planning to have a really closer look. It is an issue. It's not just an academic issue; it's a real issue in the context of financial planning. That's why we're concerned about it, but I can't say that we'd expect you to change your view on it. I'm just letting you know why we feel it's important. And I think that's all we have for this session. We'll provide you with written copies of this material and you can then see where we can go with it. Okay, we'll take a break right now. Oh, just a second.

**GEOFF PARKER:** Well, there was one other question we were following up on, was, you had a question around disbursements and we were going to mention that during the environmental days as well. So that's on our list.

**COMMISSIONER (Miller Ayre):** When I introduced the team, I forgot to mention that we do have with us today, two members with us who are part of our advisory group for the Commission. Dr. Doug House and Pat Stamp are both in our audience today, so careful what you say to them; they're not neutral parties. So we'll take a break now for a few minutes and then we'll return to start a presentation on safety, in particular from the Newfoundland Federation of Labour. Thank you.

**COMMISSIONER (Miller Ayre):** We have had a number of presentations that focus on safety and, once again, we will receive a submission that focuses on safety. And I'll just reiterate that the Commission is deeply concerned on the matter of safety. The community and the public and all the organizations in this province are because we know that accidents can and do happen, and we have all lost friends and relatives and members of the community who we believe would still be with us if it were possible to have perfect safety systems, and so we will continue to seek them.

And now I would ask our Clerk, Mr. Ed Foran, to introduce our next presenter.

**ED FORAN:** Thank you, Commissioner. We have a presentation here from the Newfoundland and Labrador Federation of Labour. Their document is posted on our website, and representing the Federation of Labour is Lana Payne and Sharon Walsh. And Lana, you may proceed.

**LANA PAYNE:** Thanks Ed. And I'm Lana Payne, President of the Newfoundland and Labrador Federation of Labour. And I'm with my colleague, Sharon Walsh, who is our Sector Advisor at the Federation, and she's liaison with our Federation's Occupational Health and Safety Committee.

When I met Ed this morning and he said, oh, it's an informal session, no worries. Clearly, I now understand that we have different understanding of what "informal" means, given that you guys are on risers and I'm not.

Our Federation of Labour represents 25 affiliated unions, 500 union locals and 65,000 working women and men in every sector of our economy, including the offshore oil industry.

For 75 years, we have worked to advance the rights of working people, including in the area of occupational health and safety, by advocating for safer workplaces, stronger laws and regulations, enhanced enforcement and inspections, safer workplaces, worker health and safety rights and real worker participation and engagement in their health and safety at work.

We welcome this opportunity to present on this important issue of human safety to the Hebron Public Review Commission. Indeed, our Federation will make a second submission on the matter of economic benefits on Wednesday, but we felt that it was incredibly important to keep these issues separate.

As part of your work, Commissioner Ayre, you have been tasked with, for my purpose today, reviewing considerations of human safety.

First, I would like to express though our Federation's support for the comments and recommendations made to you last week by Brian Murphy, the President of CEP 2121 and an offshore worker. I will refer, later in my presentation, to some of the recommendations that he made.

Our Federation chooses today to start our presentation with several questions.

Our Federation asks simply what the Proponent has learned from the crash of Cougar Flight 491 which took the lives of 17 workers. What did the Proponent learn from the reports and recommendations of the Wells Inquiry; from the Transportation Safety Board's report and recommendations?

Did, for example, the crash cause a re-examination of the Operations Integrity Management System that you spoke of this morning cited in the Development Plan and the Safety Analysis submitted to the review process and, if so, what was the result of that re-examination?

Did that re-examination, for example, result in a conclusion that perhaps the safety management system was lacking in some way?

Did the crash cause the Proponent to consider how it might incorporate and act on the spirit and intent of the Wells Inquiry's reports and recommendations? Or given the discussion throughout the Inquiry process, the subsequent reports and analysis, did this in any way prompt the Proponent to incorporate the legal requirement in our province and in Canada for Joint Occupational Health and Safety Committees, as vibrant and active players in workplace safety, into the various levels of the corporation's safety management system?

If so, we failed to see any evidence of this in the documents submitted to this review process. It is, though, our hope that this review process can recommend that improvements are indeed needed in order to incorporate worker participation in real and meaningful ways.

Commissioner Ayre, of all the work we do in the labour movement, advocating for enhanced health and safety is the most important. There is nothing, absolutely nothing, not profit, and not production, more important than ensuring workers come home to their families at the end of the day or, in this case, the end of their hitch.

We ask did the crash of Flight 491 and the subsequent analysis by Commissioner Wells result in any substantial change with respect to how industry designs its safety management systems - systems that often lack what the International Labour Organization refers to as the ability for workers to participate in a meaningful way in these systems.

Indeed the ILO notes in its publication of which I've attached: OH&S Management Systems A Tool for Continued Improvement. That Occupational Health & Safety Management Systems cannot function properly without the existence of effective social dialogue in the workplace, such as through Joint Safety and Health Committees.

The ILO also notes that it has been demonstrated again and again that implementation of OHS Management Systems can be successful only when all stakeholders participate fully in its implementation through dialogue and cooperation.

"A system" it says, "run solely by managers without input from workers at lower levels in the hierarchy is bound to lose its focus and fail."

Commissioner Robert Wells made a similar conclusion in his reports. Justice Wells had been asked to examine, among other things, whether it was possible to improve both the process by which safety management systems are developed and the methods by which they are monitored and audited.

Commissioner Wells concluded that while audits are important and have their place, "they are not a substitute for high level, multi-party input into how safety is developed."

It is not clear, in our opinion, how the Proponent intends to achieve this. Indeed safety

management systems, a system that from all accounts on some level in this case failed, with the example of the Cougar crash is exactly the same, or indeed highly similar, to the safety system being proposed by the Proponent.

I would point out that it was this same or similar system that, as an example, resulted in the failure to implement the use of things like underwater breathing apparatuses during helicopter transport and failed to pick up on previous problems with the S-92, despite the fact that Element 8 of the Proponent's cited safety management system deals with subcontractors or what you refer to as "third-party operators" or "third-party services."

The Hebron Proponent's submission fails to explain how the Proponent intends, or if it intends, to follow the advice of Commissioner Wells thus seeking and structuring this multi-party input.

What we don't need is more "father-knows-best" approach to workplace safety.

The problem with this kind of approach is that it often disempowers workers, rather than doing the opposite of what we need.

While the ILO names a number of key strengths of safety management systems, it also points out a number of weaknesses. There are many pitfalls, it says, that must be avoided with these systems. And we've attached a document which talks about ways that these systems can be improved from the ILO's perspective.

As mentioned, the safety management system proposed for the Hebron Development is virtually the same system that we've seen used in the oil industry worldwide.

The Proponent's Development Plan also lists these 11 items that you heard about earlier from the representative from the Proponent.

We propose that the Proponent also incorporate those elements identified by the ILO as necessary in a good safety management system. Because, in case it was missed, this safety management system did fail at some level. Seventeen lost lives should be an indication that risk assessments and safety management systems, by and of themselves, are not enough. The crash was not just a failure of regulators.

And Commissioner Wells' recommendations for improving safety in the Newfoundland and Labrador offshore were not just meant for government and the regulators. They were meant for industry, and they were meant for us as well.

Our Federation commends the Proponent with respect to its commitments as outlined in its Safety Analysis, including the commitment to protect the health and safety of all individuals affected by their work and to communicating health, safety and environment matters in an open and timely manner with all affected parties. Obviously, with respect to worker involvement, we think these commitments need to be enhanced.

The Proponent says in its Concept Safety Analysis that it is assumed that S-92 helicopters will be used. Does the Proponent also assume that S-92s will be equipped with a 30-minute dry-run capability?

In his report, Commissioner Wells highlights his vision for a Newfoundland and Labrador Offshore Safety Regulator by referring to a new and strong leadership role for the regulator, leading the way towards a more of what he calls "inclusive safety culture."

In doing so, he stated, such a regulator must include or bring more people to the table, more of industry, including subcontractors and suppliers, other regulators, research organizations but especially, he says, "workers."

Commissioner Wells notes that unless such a leadership role for the regulator is instituted and developed, industry perhaps will not achieve the safety systems of which we are capable. Safety is too important to be adversarial, he said. It must involve everyone. Safety depends, yes, on culture, trust, collaboration, training and strong leadership.

Commissioner Wells added though that workers, too, have a strong role to play and a responsibility to contribute to a safe working environment. They too are important stakeholders.

It's not clear how the Proponent, through its safety management system, intends to incorporate Occupational Health & Safety Committees, as outlined by our legislation in Newfoundland and Labrador.

It's as if the safety management system exists separate from this piece of legislation, and this requirement for active, informed, knowledgeable Workplace Occupational Health and Safety Committees, rather than in collaboration with them.

At the very least, we believe this Public Review process should recommend that an offshore safety plan, which will be required, I expect, by the C-NLOPB of the Proponent during the production phase of the development include these elements as outlined in our submission from the International Labour Organization.

If the crash of Flight 491 has taught us anything, it is that sometimes the risk analysis experts get it wrong. That worker and management dialogue, two-way communications and active and pro-active Joint Occupational Health and Safety Committees are not just important in the creation and building of a strong safety preventative culture, but essential to that process.

As our Federation pointed out to the Wells Inquiry, prevention is crucial to ensuring decent work for workers everywhere.

The first step to building that safety culture is to understand and respect what workers and

their unions bring to the table. Workers and their unions must not be viewed as adversaries in health and safety, but rather as engaged partners in achieving healthy and safe workplaces.

In reviewing the Development Plan and the Concept Safety Analysis, we have a couple of additional comments to make.

The documents, as I said, are not clear with respect to how workers will participate in their health and safety. Perhaps this will be included in the Proponent's safety plan that it will submit at a later date, but our Federation views these issues as important as the risk assessment data and the other detailed information provided by the Proponent to this process. They will certainly be just as important to meeting your goal of "*Nobody Gets Hurt.*"

In Chapters 11 and 14 of the Development Plan, the Proponent outlines safety policies and procedures, noting that it will meet or exceed all statutory requirements, ensure the safety of all personnel, provide a healthy work and living environment and support this goal of "*Nobody Gets Hurt.*"

The Proponent notes other things that it will do further on in Chapter 11 and 14.

What's unclear is, and, of course, we applaud all of these things. We think it's important what you've outlined here, but what's missing is the worker input: the processes and structures by which workers will be engaged or will be able to participate in their own safety and improving the safety of their working environment.

In her research, Dr. Sue Hart of Memorial University found that in addition to senior management commitment, which is clearly outlined as necessary by the Proponent in its Development Plan and in its safety management system, workers participation was also found to be critical to ensuring the most effective safety management systems that we can possibly have.

Of course, as I said, Commissioner Wells recommended a similar approach for effective safety, as does, as I also noted, the International Labour Organization.

In her research, Dr. Hart refers that worker involvement can be enhanced by devising a spectrum of worker participation, ranging from management driven (provision of safety education and training), which you've said you're committed to, to participatory safety (worker involvement in safety inspections) as an example, directly influential safety, in other words, safety representatives or Occupational Health & Safety Committee members to the highest level where Occupational Health & Safety representatives and committee members participate in the planning, implementation and review of OH&S activities.

There is no indication that the Proponent plans to take its safety management system in this direction, although we recommend that you should.

Commissioner Wells went even further by stating that "the bright light of public scrutiny is the best way to ensure that in this jurisdiction we get safety right, while at the same time understanding that it is an ongoing journey which never ends at a final destination."

Our Federation views this review process as part of that ongoing journey.

After the crash of Cougar Flight 491 and the subsequent inquiry, TSB investigation and reports and recommendations as families, as worker representatives, as a society, we now expect more.

As the workers noted in their submission to Commissioner Wells and to you last week, there is no logical reason why workers in the Newfoundland and Labrador offshore should have less than the best available safety capacity in the helicopters which they ride to work.

While the Injury generally recommended how regulators and government can do better, there was also a message to industry and to all of us. "All the available knowledge" said Commissioner Wells, "skills, and wisdom of all participants should be harnessed in the safety culture."

Commissioner Wells refers to what he calls the "swiss cheese model" of risk management, defined by James Reason in his book "Managing the Risks of Organizational Accidents."

"The process" according to Commissioner Wells, "requires that there are, or should be, a number of defences in place" in order to plug the weaknesses that can occur in any system. Our Federation views strong, active, proactive and empowered workplace Occupational Health & Safety Committees as an essential defence barrier. They go hand in hand with strong and proactive regulation, management commitment, effective communications and safety training in the formation of a strong workplace defense system.

With respect to helicopter transportation, we have focused, as you know, in our brief, for the most part on bigger picture health and safety structures and processes. We have left the technical side of the safety concerns to be raised by the union that represents the majority of offshore workers.

Having said that, we have already referenced helicopter safety and given the crash of Cougar Flight 491, our Federation felt it was especially important to speak of this issue to you today.

One cannot underestimate the amount of scrutiny helicopter transportation has undergone in our province since the crash of Cougar Flight 491, including, of course, the Inquiry involving public hearings, two reports by Commissioner Wells, an investigation and report by the Transportation Safety Board and critical questions that are still being sought by the sole survivor of that crash and the victims' families.

The TSB recommended that the FAA, Transport Canada and the European Aviation Safety

Agency remove the "extremely remote" provision from the rule requiring 30 minutes of safe operation following the loss of main gearbox lubricant for all newly constructed Category A transport helicopters and, after a phase-in period, for all existing ones.

Commissioner Wells supported this recommendation in Phase II Report as he did all of the TSB's recommendations. Indeed, the Commissioner went further, stating he believed the "extremely remote" provision under which the S-92 was certified was "flawed" and allowed a regulator to excuse a design requirement that is a "legitimate industry expectation and has been for some time."

The Transportation Safety Board said the extremely remote provision negates the requirement for a 30-minute dry-run capability. It recommended that all Category "A" helicopters, including the S-92, should be able to fly for at least 30 minutes following a massive loss of main gearbox oil. Moreover it noted, with advances in technology, we want the FAA to look at today's operating environments - Hibernia, the Arctic, the North Sea, any of these extreme locations - and decide whether even 30 minutes is enough time.

The Proponent's Concept Safety Analysis makes no mention of using helicopters equipped with a 30-minute dry-run capability.

The Proponent refers to Risk Assessment Analysis based on the number of return flights during the drilling and production phases of the development but then concludes and continues to say that "it is assumed that S-92s will be used."

In light of the recommendations from both the Wells Inquiry and the Transportation Safety Board, we expect a different commitment from the Proponent.

Does the Proponent intend for the S-92s it assumes to use, to be modified to ensure a 30-minute dry-run capability or does it intend to operate without this capability despite recommendations to the contrary?

We, as I mentioned earlier, support CEP's recommendations and concerns with respect to shift schedules and the impact they can have on worker safety and work-life balance, the need to augment the helicopter fleet, and the recommendation that the Hebron installation include the new lifeboat requirement, which I understand from the Proponent, that it will.

We also share the very real concerns regarding the need for enhanced search and rescue capabilities, improved response times, and, of course, the need to reverse what we view as a reckless decision to close the local maritime rescue centre.

In conclusion, Commissioner Ayre, our Federation makes this presentation today with a heavy heart. Seventeen people lost their lives on March 12, 2009.

We were told by the offshore operators during the Wells Inquiry that their safety management

systems are effective, and yet, these systems have failed us at some level. Commissioner Wells, perhaps in response to that, concluded that they are not a substitute, although important, are not a substitute for high-level, multi-party input into how safety is developed.

I'm not confident that the Proponent or the oil industry gets this concept of worker involvement and participation in the way it is proposed by the ILO and Commissioner Wells. Indeed, if they did, I would expect to see a substantial modification to the safety management system being contemplated or, at the very least, some discussion in their submissions with respect to this and what has been learned. And yet, I did not find that.

The question becomes, how do we make these safety management systems better. The ILO has suggested ways and means to do so and we recommend to you that they be implemented.

Of course, implementing the Wells Inquiry's recommendations, including the establishment of an independent and powerful safety regulator would go a long ways to achieving an enhanced and modern safety regime as well.

Until such time as that is done, the current regulator must demand more of the offshore operators, including the Hebron Proponent, when it comes to acting on the spirit and intent of the Wells' recommendations, especially with respect to real work involvement as we have outlined. But then, the regulator must also understand this concept too.

And finally, the Hebron Proponent should be required to use helicopters that are the safest and the best available. Evidence suggests that this include having at least a 30-minute dry-run capability when transporting workers in our offshore. Anything less would be to ignore the entire Inquiry process, its considerable analysis and recommendations and the resulting investigation conclusions and recommendations from the Transportation Safety Board.

And perhaps, if all of us together push hard enough, we will get to a place where we have what Commissioner Wells envisioned for our offshore, "a new and more comprehensive approach to offshore safety regulation."

Or, as Ms. Lori Chynn, the widow of John Pelley, has said, a place where safety truly does come before profit. "Such a tragedy" she said, "cannot ever happen again. No family should ever endure such heartache."

And it is the job of all of us. It is our collective responsibility to push to make sure that this does not happen again. Thank you for your time this morning.

**COMMISSIONER (Miller Ayre):** Thank you, Lana. You've obviously covered a lot of material and have some very specific questions, and you've presented us with valuable material, both philosophically and in context and content to ponder as we put our own material together from the Commission's point of view.

We had flagged for ourselves, to some extent, the issue which, at a recent conference on safety, seems still to be of concern, and that had to do with communication between all the parties in the offshore workforce, and the need to improve that communication. Just as a matter of interest, has that issue come up to you? That is to say, we are talking here to people involved with Hebron, but all the offshore, all offshore components working together on a, just on a whole bunch of bases, but not the least of which is communications and standards across the whole group? I mean, is that something you've encountered as an issue?

**LANA PAYNE:** Yes. I mean, there are different levels of obviously how you communicate. There is the sense that workers need to be able to have that if you have a hazard in your workplace, that if you communicate such a hazard that: (a) there's no reprisal for doing so, and (b) your concern is acted upon.

It certainly, what the Cougar crash taught us in terms of how Workplace Health and Safety Committees felt that their information was being filtered up, that something was getting lost in the process. That it was taking a considerable amount of time for safety matters to be acted upon, whether it was what they felt was ill-fitting suits.

There was, I remind you, a discussion in our province for a full decade on whether or not we should implement underwater breathing apparatuses when they were in play and being used in other jurisdictions in the world.

And so, I think that we are indeed quite behind the times in terms of how you have modern communications and to think that workers have only a minor role to play in that. And certainly when you look, I think, at the operation, the safety management system and the 11 elements that we referred to this morning, I would expect to see this notion of worker engagement as one of your elements; that it is not just about training and not just about that, but this whole idea of how you, how communications takes place. How, it's not enough, I don't think, to say we have Occupational Health and Safety Committees that meet for two hours every month and we've done our tick, according to the legislative requirement. It's much more involved than that.

We've only just recently had .... You referred to a regulator-sponsored safety forum. I would argue that, even at that, you want to have ... workers should be having participation in what gets discussed at those safety forums. We need to be doing them on a regular basis, and, as we proposed in meetings with the C-NLOPB, that we need to be moving more towards a structure of a tripartite forum like we have in place in Norway, where there is an ongoing discussion and communication happening because we put in place a structure to allow it to happen, instead of doing communication on what I would call an ad hoc type of basis.

**COMMISSIONER (Miller Ayre):** So, do you get feedback in your organization that there are different standards on different operating platforms or rigs or whatever? Do you think that's the case or not? Are there different standards that tend to develop for some reason or other?

**LANA PAYNE:** Well, I can only speak to the two installations that are unionized because those are the folks that we speak to. Although I will say that I get e-mails from non-unionized workers as well in terms of all of this. And basically the comment would be "keep doing what you're doing." We need to be able to have kind of a real say, but also to feel that, you know, our concerns are taken seriously, and it's not just that because you raise something it seems like it's being dealt with. This has to move to a different level.

we just had a session, actually, with representatives from Norway, and perhaps your Proponent also operates in that part of the world. And I can guarantee you that the levels of communication and the structures that are in place to deal with health and safety are at a whole different level in that country and in that jurisdiction than they are in our own. And we need to be, I think, striving to get close to where they are.

Certainly, I would suggest to you if you look at all of the kind of detailed information out of the Cougar crash, in particular, what it did highlight is that we really do have to move to a different level of how we communicate. And it's not just, the operator, yes, are part of that issue, the third party contractors, in this case, the helicopter company, obviously need to be part of that. But also, how do you talk to workers at all of those different levels? It's not just doing it in a top down, but in a bottom-up approach to safety as well.

This isn't new, by the way. We've been studying this stuff internationally for 30/40 years, and there are some good examples of how it can work, but it does start with having real structures that are effective.

**COMMISSIONER (Miller Ayre):** In somewhere like Norway, is there a situation in which, for example ... well, first of all just let me say that any information you have on what you learned from that engagement you just mentioned with regard to Norway, we'd be interested in seeing.

**LANA PAYNE:** Sure.

**COMMISSIONER (Miller Ayre):** But I'm wondering if, in some of those other jurisdictions, does the labour movement, are you ever involved in the process of training yourselves? Is that common in some jurisdictions?

**LANA PAYNE:** Yes. And in some parts of Canada this would be common as well. We often work with employers to develop safety in the workplace. There's no doubt that this is something that we would already be doing in many workplaces.

But in Norway, for example, it wouldn't just be the safety kind of training. It would be at every single level. I mean, we have workers that, for example, now, for the last two times they've done helicopter safety reports. And workers were part of that process from the beginning in that they were part of the panel that was doing the review of helicopter safety, they had a real say in the issues that got discussed and in what they had researchers look at. So it is, yes, a

totally different level.

But on the training side, I think it is actually important to be consulting with workers from the beginning on the training. You'll get a more effective training as a result.

**COMMISSIONER (Miller Ayre):** Yeah. And I think there were a lot of questions raised, and I'm sure, Geoff, that you would want to comment on some of the issues.

For example, Lana raised, on her page 4, the question relating to whether your own system OIMS was ... how would ExxonMobil typically take a major incident or even a significant, a lesser but significant issue, how does that lead into change within your own program? What's your protocol around major accidents, incidents or incidents that occur elsewhere or near incidents. How does that feed back into your system, and what changes would you have made or would you have even, would Head Office, as it were, looked at this whole process? Would this be a major issue that would get to the attention of everybody?

**GEOFF PARKER:** The Operations Integrity Management System is the framework of 11 elements that I've talked about at the beginning of the day, and then that's underpinned by the 64 expectations that outline in more detail what the expectations are, and then underneath that, is the comprehensive management systems around the different activities. So, at that level, and then below that, the procedures and the work instructions down at a detailed level, they are the pieces that would most often be improved as the result of incident investigations.

One of the elements at the high level is incident investigation and the root cause analysis, done as part of that, would feed back in, particularly to those more detailed work procedures.

So, the overall framework of OIMS stays the same, and then down at this level, or the documents which are underneath that umbrella, they're the pieces that they upgraded as a result of incident investigations.

I would also point out that the Element 1, which I described, is entitled "Management, Leadership Commitment and Accountability," one of the specific expectations under that element is worker participation and involvement. That is there, and I do see that happening. And if I look at the Hebron example of things we're already doing on the construction site, I see tremendous worker involvement in the safety program.

We have workers ... so it begins with the JOSH Committees, the Joint Occupational Health & Safety Committees, which we've talked about which has the elected representatives, but it goes well beyond that. They participate in safety walk-arounds with the management team, so it's a joint walk-around there.

We had, I remember, after one of the stand-downs that we had after a near miss incident, we sort of switched roles, and some of the workers went to inspect the offices for safety hazards,

as opposed to the management doing it themselves because those cold eyes can really help.

So, I think we agree completely that for a safety program to flourish, it has to be either everybody in the workforce. It's not just about management; it's also about the workforce. And the expectations the management system is that we do have that worker engagement in the safety program.

**COMMISSIONER (Miller Ayre):** In some of the other presentations, there was an emphasis on the fact that the workers would elect or appoint their own members. And what is the practice that you would have?

**GEOFF PARKER:** The practice for the JOSH Committees is that those workers, the workers on those committees are elected. Yes.

**COMMISSIONER (Miller Ayre):** And so that's an ongoing process?

**GEOFF PARKER:** Yeah.

**COMMISSIONER (Miller Ayre):** And you would get workers from all the disciplines on the, say, on the rig or whatever?

**GEOFF PARKER:** Mike, would you like to comment on that?

**MIKE McCURDY:** Yeah. So, on an offshore platform, typically you have a maintenance group. You have a drilling area. You have services and accommodations. So, each of those main areas would have a nominated and elected representative for that group of workers.

**COMMISSIONER (Miller Ayre):** Okay. Thank you.

Another issue, which clearly was important in the presentation we just had, relates to the helicopters and any views you have or what kind of review you might have as to helicopters you would use.

I mean, we understand that your decisions on this matter are in the future at this point. It's not an operational activity you're involved in at present, but if you could comment on that a little bit. I understand also, just so everyone is clear, that you're speaking from a Hebron point of view that you are the operator, but you speak as a Hebron operator, not as ExxonMobil in these presentations, but if you could just give us some sense of that.

**GEOFF PARKER:** Areas like helicopters, we rely on the relevant regulators to certify equipment. We don't audit the certification process. So, our management system would not have us auditing the certification process. So, we would audit compliance with the regulatory requirements. And so, for the Hebron example, we'll look at what the latest requirements are at the time, and we'll comply with those.

I'm not a helicopter expert, and so we need to rely on the experts who will look at all the trade-offs involved any decision regarding requirements for helicopters.

**COMMISSIONER (Miller Ayre):** Well obviously we, in this community, we focus on obvious things like the amount of time that you'd have in the case of a large calamity in the context of leaking oil and so on. Are these issues carefully monitored around the world? I mean, in this particular case, one of the clear things that happened was the apparent lack of knowledge of the difficulty associated with this particular helicopter.

I mean, you're on the helicopters going to the rigs, I assume, and so is many members of management as well, so, I mean, it must be a very personal reaction, apart from anything else, in the context of your own concerns that all the people involved in this process. I'm really asking you to comment on the kind of immediate sense you get of people that you know have to go in and out.

I mean. we can understand in the general way, whether you're a worker, whether you're middle management, whatever you are, but I would certainly expect, I mean, this extends through the whole ambit. It's not something that's simply a management decision. I mean, is there any sense of what should be done about this, about the, whether the half hour is enough or not enough or whether it should be there? Just depending on regulations, under what circumstances would you or the Hebron people decide to go beyond what is written in law or what is written in terms of the regulations to make something better? When does your safety program stretch beyond the bare minimum of what you're told, just do the regulations and that's that. When do those things occur? If it doesn't happen on something like this, I have trouble imagining it's going to happen elsewhere.

**GEOFF PARKER:** I think in areas where we'd consider ourselves experts, there are examples where we go beyond industry specifications or regulations because they're areas where we, within our own operations, have enough data and enough expertise to understand that that's a requirement that we have above and beyond a regulatory requirement.

I think when you get into some of these more specialized areas that are not our core business, we do need to rely on outside experts and through the regulators for that.

The example you use is a good one. If there's been an incident that's happened with another operator, say, on a particular helicopter, we may not hear about that directly. We hear about things that happen within our own operations. So, it's when, if there's other operators operating that have particular information, that's where that information has to come back to a more central authority who has to hear on it and act on it.

**COMMISSIONER (Miller Ayre):** I don't know if there are any -- did you?

**LANA PAYNE:** Yeah. Just a couple of comments to that. First to the operation safety management system and I understand that it's, you have, I'm not saying it's a bad system, I'm

just saying that we have to adopt and change if we come across problems, which clearly we have come across problems with respect to Cougar, and not just with respect to the crash, but what that taught us about a whole bunch of things.

One of the points that's made, interestingly enough by the ILO, is that when they talk about having a really good strong, occupational health and safety management system is that we should keep in mind that it's designed to improve, rather than justify itself. Or that we can't ... these things don't function properly or effectively without really strong social dialogue, which is to your point when you engage workers. And the emphasis that we put on that, and I would not consider one element in, which I think was Element Number 1, 1.8 or, so it was 1 of 10 elements in or 10 points or goals that you make in your first element is, talks about worker safety and engagement in that respect; how do you get workers talking about it.

And you've mentioned that there are 64 different things that you do and then below that, so just the one of those 64 where we talk about worker engagement, I actually think that this should be one of your elements. One of your key elements has to be focusing. That means there is a clear recognition that it's that important that we put it as one of our key elements in terms of how we engage because I would argue it gets us thinking about it in a different way when it's one of the top priorities.

Secondly, with respect to meeting or exceeding all statutory requirements, which you've talked about in the Development Plan, I would suggest to you that you even make a commitment to say that if hazards are identified, that we will, in fact, strive to exceed regulatory requirements.

And we all know how long it takes for regulation to change, particularly in our offshore where we have multiple governments actually needing to agree on regulatory change. So, we need the Government of Canada and the Government of Newfoundland and Labrador to actually agree on something, not always an easy concept to achieve, as you can imagine.

So, we actually have, before, as you probably know, changes to the Atlantic Accord, dealing with Occupational Health & Safety that were in draft form for many, many years, and now are being ... there was a review process last year that most of us probably participated in and still, after what I think was almost a ten-year process of looking at these draft regulations and amendments and then drafting the legislation again last year, we are still waiting for both, for all of that to go before our legislatures to be implemented.

So, what I'm saying is, that we shouldn't need to wait for regulatory change if we are identifying a risk or a way to improve health and safety in our offshore, and I say that in the context of helicopters, but generally speaking on any issue that we would raise. And while I understand that you may not have in-house expertise on helicopters, I don't either. I'd love to have it, so I understand your need to have to go out to get that kind of expertise.

But I think that there's been a lot of discussion, a lot of evidence now, suggesting that we need

a higher level, kind of a better helicopter for our offshore in the context of being able to have this 30-minute dry run. So, I would suggest to you that this indeed should be something that needs to be looked at by the Proponent and that we shouldn't have to wait until there actually is regulatory change to that effect, given that we have this kind of strong evidence already presented towards us.

And I would say that in your safety management system, you do talk about how you interact with Third Party Contractors, and so, in that discussion, I think that there's plenty of room to look at how we might improve, obviously in that discussion, including the kind of information that that Third Party Contractor gives to the Proponent.

**COMMISSIONER (Miller Ayre):** I think, Geoff, my experience since I started this Commission in inquiring on safety issues is that your ExxonMobil, in particular, has a very good reputation worldwide on this issue. So, I guess to some extent, what we're looking, when we're looking at you, we're looking for and hoping for the kind of leadership that comes with the reputation that you would have presumably earned everywhere.

And so, if we sound sometimes as though we're pushing for things, it's because we have an expectation that we're talking to a company that's committed to these things. And I think there are numerous recommendations contained, not only in this presentation, but in others, and presumably in our report, that we'd be looking with optimism on the fact that we can fight some of them into place. And the clear leadership that ExxonMobil has at the moment would continue and so, I think when we're talking about going beyond and making sure things happen, both at the process level and at the individual level, it's a function of the fact that with your experience, you can deliver these things.

And so, Lana, I don't know if you have any other particular questions you'd like to hear answered at the moment.

**LANA PAYNE:** No. I think that you have this as part of the review process is incredibly important. And our Federation, I would say to you, learned a lot as well from the Cougar crash, in terms of how we can elevate safety to a new and different level, including, as you have referred to, how we communicate with each other. But also, as I say, we really have to start taking what workers are saying in a real and serious manner, making sure they're part of the process from the beginning and all the way through.

**COMMISSIONER (Miller Ayre):** Well, thank you for your presentation. And Geoff, did you have any more at this point that you wanted to comment on?

**GEOFF PARKER:** Yeah. Really just to reiterate the focus on continuous improvement.

Tragedies like Flight 491 remind us of why we do need to continue that relentless pursuit of safety. And the management system we have has the Element 11 is around improving the safety system as it moves along, and also has the element around investigating incidents and

making sure that we have learned from those incidents and improved. So, we have a focus on improvement. We have incorporated the lessons we see from the tragedy, and the helicopters that we fly will be safe.

**COMMISSIONER (Miller Ayre):** Okay. I think now we'll take a break for a couple of minutes, and then we're moving into the actual content of the day in its original form, and we will proceed after a few minutes break with our next presentation, and we will get into some diversity issues. Thank you very much.

**LANA PAYNE:** Thank you.

**(Nutrition Break)**

**COMMISSIONER (Miller Ayre):** As soon as everyone is seated we'll get this session started. I just wanted to comment, that almost for safety issue these, we seem to be on a stage rather than on simple risers. So we're going to try to do something about that, and either we'll get lower or the presenters will get higher. Something will happen as soon as we can do something about it.

So, if I could call Ed, on you, as the Clerk, to introduce our presenters.

**ED FORAN:** Thank you, Commissioner. We have, this morning, the Provincial Advisory Council on the Status of Women, and representing this organization is Linda Ross who is President, and with her is Jessica Gallant. Linda?

**LINDA ROSS:** Thank you. Good morning, Mr. Commissioner, representatives from ExxonMobil, members of industry, community partners and colleagues. My name is Linda Ross, and I am, as was said, the President and CEO of the Provincial Advisory Council on the Status of Women. I'm joined by my colleague, Jessica Gallant.

We are honored and delighted to have this opportunity to speak to you today about issues that are not only important to the Advisory Council but to the women of Newfoundland and Labrador, and, indeed, the province as a whole. After all, while many of the issues that we speak of today are often categorized as women's issues, there are also issues that are important to families, and to community at large. We hope our comments and recommendations will be taken in the spirit they are intended; that of partnership and a shared commitment to ensure the Hebron Project is truly an industry leader in diversity, and that the women of our province will truly benefit from and participate in this natural resource development project.

The Provincial Advisory Council on the Status of Women was established in 1980 by the Government of the day and legislated through the *Status of Women Advisory Council Act*. Our current council is comprised of 11 women from throughout Newfoundland and Labrador. Our mandate is to advise Government on issues affecting the status of women and raise awareness

of women's issues within the general public.

Our recommendations are informed by the expertise and experiences of our council members as well as feedback we receive from individuals and organizations within the community.

Despite making up 51% of the population, women have historically had low to non-existent representation in many occupational categories arising from the Province's natural resource development projects to date. We believe the Hebron Project is an opportunity to challenge and change that reality. We believe a diversity plan must expressly cover both the construction and operational phases of the project and include aggressive employment targets as well as proactive measures that ensure women are recruited, educated, trained and qualified to fill any and all positions arising from the project.

In addition to the pillar specific recommendations we will be discussing, we are also generally recommending that the Hebron Diversity Plan include construction and operational phase specific goals and measures. Although we acknowledge the potential application of the Diversity Plan initiatives in both phases of the project, we strongly recommend EMCP consider the specific needs and challenges of each phase and implement targets and proactive measures in response to the same.

This recommendation arises from ongoing concerns arising from the White Rose Project where the most recent report indicates no women were employed in the marine crew category and only two percent of women were employed in the technicians/technologists positions in 2010.

We further recommend a minimum target of women in trade-related positions arising within the short term (i.e., the construction phase of the project); increased and enumerated targets for women's participation in historically underrepresented occupational categories for the long term; and proactive measures to ensure women are trained and qualified to fill these positions (for example, support to apprentices and/or respond to the project's procurement needs); for example, the business access strategy.

The Advisory Council is committed to work with and support the Hebron Project in its efforts to maximize the benefits to women and all designated groups, while minimizing any potentially negative outcomes. We wish to acknowledge the 2008 Hebron's Benefits Agreement that includes gender equity and diversity program measures.

Further to this, we wish to recognize the efforts of EMCP to date as outlined in a Diversity Plan as it currently exists.

We believe, however, that it is problematic that the plan, as it is currently written, does not include enumerated targets. You will note that the Hebron Benefits Agreement from 2008, states, "Operator agrees it will initially set such goals by **taking into consideration** the availability of women in particular occupational categories as identified by Statistics Canada in its Employment Equity Data Report."

The shortfall, as has been mentioned by other presenters, of the Statistics Canada information is that it is only published every five years, having last been produced in 2006.

It also fails to reflect recent and ongoing investments by the province with respect to women's employment and labor market outlook. Furthermore, Statistic Canada's information regarding women's participation in said occupational categories, in fact, reflects women's very low representation in these positions, and to set targets based on this information only serves to perpetuate women's low and often lack of participation in many of the relevant occupational categories. As such, we believe EMCP must set aspirational employment targets, coupled with aggressive measures to ensure women are trained, recruited, hired and retained.

The Advisory Council supports the Hebron Project's assertion that "healthy and educated communities, where all citizens are valued and productive members of society, help provide a stable and prosperous operating environment."

We are also pleased to see EMCP plans to continue working with community organizations. We first recommend the implementation of strong promotional efforts and training supports directly targeted at and available to women.

Notably, we applaud EMCP's plans to partner with and support programs offered by organizations such as WRDC, Women in Resource Development Corporation, and suggest considering additional partnerships with community organizations to reach specific populations of women; for example, the Coalition of Persons with Disabilities, and aboriginal women's groups.

Similarly, we also recommend culturally sensitive promotional and educational opportunities in rural and aboriginal communities throughout the province, therefore consulting with and building partnerships with aboriginal women and women living in rural communities would be beneficial.

We further recommend that a specific effort be made to raise opportunity awareness amongst older women who are already in the workforce and perhaps considering a career change or seeking first-time employment opportunities.

The Council of Marine Professional Associates (COMPASS) is an industry leader which recognizes the vital role women will play in meeting the marine labor market needs of the province, and, as such, is an ideal partner and resource for the project, particularly in the operational phase.

Similarly, working with the Marine Institute to explore specific funding opportunities and ways to invest directly in the education and training women required to effectively qualify for marine-related positions arising from the project.

We applaud the ECMP and recognize the many benefits associated with the Hebron Project diversity endowment fund available to students of Memorial University of Newfoundland and The College of the North Atlantic; however, we also recommend these scholarships and other forms of educational supports be made available to colleges as a means of addressing more generally the business trade and technology needs of the project, and expand the pool of women who could benefit from such funding.

While the social impacts of major natural resource development projects are both positive and negative, women, and particular, specific groups of women, often experience many of the negative factors to a greater degree than other groups. Such negative impacts relate to housing, violence, crime, and addictions. As community populations grow and housing options decrease, minimum wage earning and single parent families often have trouble securing adequate and affordable housing. Women with additional challenges relating to mental health and addictions are even further disadvantaged. As such, we recommend that EMCP make a meaningful financial contribution to affordable and accessible housing in the areas of the province impacted by the project. Such support could come through investment in Newfoundland and Labrador Housing.

Domestic violence is another issue often aggravated by economic development. Although we are certainly not suggesting that employment with any natural resource development project causes domestic violence, we do know that breaking the cycle of a violent relationship can be undermined by isolation and/or a lack of community support. As such, we recommend the project support the development of physical and human resource infrastructure needed to address domestic violence experienced by employees and those living within the communities most impacted by the project.

Newfoundland and Labrador labor market outlook 2020 identifies proactive measures, specifically those which increase participation of women especially in nontraditional occupations as necessary. While we're pleased to see the Diversity Plan include initiatives relating to communication, consultation, advertising, selection and internship, we are concerned that Pillar 2 does not adequately communicate meaningful measures to ensure designated groups, and particularly women, are recruited, hired and retrained for the Project.

A primary recommendation is that advertising itself must be targeted at women and the other designated groups using inclusive language such as women and men, instead of workers, and including images of women on recruitment materials are just two examples.

While we appreciate the legal justification behind excluding self-identification at the recruitment stage, we also view this measure as counterproductive in meeting a diversity target outcome.

Notably, both the Federal and Provincial Human Rights Legislation, Section 16 and Section 8, respectively, offer a way around this concern. Both acts include special program options that allow employers to specifically recruit from disadvantaged or underrepresented groups. The

Royal Newfoundland Constabulary, for example, recently used some measures to recruit and hire female police officers.

We are pleased to see the Diversity Plan recognizes the importance of a supportive work environment. Notably, our recommendation under this pillar is very much consistent with suggestions made last week by organizations such as WRDC and the Office to Advance Women Apprentices. For example, we support the availability of gender specific clothing and safety equipment to all employees. We also suggest the use of workplace training as a means of instilling a deeper diversity culture amongst employees, contractors and partners.

We note that throughout the plan there is a tendency to speak of accommodation within the context of disability; however, the legal concept of accommodation goes beyond disability. For female employees, pregnancy, breast-feeding and family status are examples of circumstances that may also require accommodation, and we suggest consideration and associated plans be implemented to address these possible issues.

We also recommend that the operator commit to prioritizing the inclusion of accommodating measures within collective agreements and further commit to work with the unions to achieve their diversity goals.

We further recommend that onsite diversity officers be introduced to avoid women having to go to the foreperson or shop steward who are often male to deal with issues of harassment, diversity culture and gender-specific equipment.

Last week we heard from the Office to Advance Women Apprentices relating to childcare, and as such, investment in the Provincial Early Learning initiatives would be tremendous support on the part of EMCP.

We also suggest support be given for accommodation, meeting the needs of employees with family care responsibilities more generally. Related to this point, flexibility and scheduling work is critical, particularly within the context of employees who are single parents or both partners are employed within the project.

Finally, while we understand employers impose a zero tolerance drug policy while onsite, we also recommend more proactive measures to be considered to ensure services are available to employees both on and off site to mitigate various addiction concerns.

Monitoring, reporting and stewardship are imperative to any diversity plan. As previously mentioned, the lack of any identified targets is troubling and makes it difficult for ECMP to strategize process outcomes.

Furthermore, how are potential contractors or unions expected to cooperate if the final goals are yet to be identified? We appreciate contractual requirements to report to C-NLOPB but we also recognize the parameters of the Board's knowledge base and expertise; and more

specifically, are not aware of any gender and diversity experience or knowledge more broadly within this all-male board and management team. Although not intended to be a criticism of the current individual board members, it is intended to highlight the need and opportunity for more specific diversity accountability. As such, we suggest monitoring be carried out by a body with diversity experience that's external to operators, contractors and C-NLOPB.

Similarly, we recommend that EMCP consult with community organizations annually, in particular women's organizations generally, as well as organizations committed to working with specific groups of women to ensure actual needs of the designated groups are being addressed under the Diversity Plan.

Finally, we recommend that, if possible, in addition to reporting to the Minister of Natural Resources, the project should report annually to the Minister Responsible for the Status of Women.

Although the initiatives outlined in the business access piece of the Diversity Plan are positive measures, we are still left asking how does the project specifically plan on achieving the business access piece for women in particular.

In light of this question, we make the following comments and recommendations: We strongly recommend that the business access piece include a target that five percent of all local business procurement areas go to women's businesses. To reach this end, we also suggest EMCP determine the project's definition of women-owned businesses by considering definitions of natural certification programs such as We Connect Canada, whose definition of women-owned business required 51 percent of a company to be owned, managed, controlled and operated by women.

We also believe it would be beneficial to provide women in business the opportunity to identify as women-owned businesses. In this regard, we suggest the project work in collaboration with the Newfoundland and Labrador Organization of Women Entrepreneurs.

We further recommend that the project identify and communicate information on where supply and procurement opportunities to designated groups as well identify possible barriers in the procurement program that limit the participation of designated group members. Ultimately, we hope to see a business access strategy aimed at promoting a fully equitable supplier and procurement process for women.

In conclusion our recommendations can be most succinctly described as targets, proactive measures and a well-defined business access strategy. We would be remiss in not, again, acknowledging that many of the initiatives outlined in the Diversity Plan are already working towards these goals and commend EMCP for their commitment to ensure women will fully participate in and benefit from the Hebron Project.

A few years back, Mark Shrimpton of Stantec undertook a best practices research piece related

to diversity in the oil and gas industry. Perhaps, surprisingly, he discovered there were very few reported best practices in this area. The Hebron Project provides not only a local opportunity but indeed an international one to prove ExxonMobil and this province truly are creating cutting-edge diversity standards in the oil and gas industry.

In 2010 ExxonMobil noted women made up 26 percent of their global workforce excluding operating retail stores, and we look forward to seeing how the Hebron Project, under their leadership, will result in similar success for the women of Newfoundland and Labrador. Thank you.

**COMMISSIONER (Miller Ayre):** Thank you, very much. Linda, we're moving ahead with questions now and perhaps I could just ask you a couple, so that I get an understanding a little bit more of some of your suggestions. Just to fill me in a little bit on background, I mean, have you noticed improvements, given the sense of negative attitude and deeply rooted biases and so on that you referenced as being part of a discrimination inherent in the community, if you will, and find its way into the workplace and so on, have some of these things been changing?

We noticed last week that both management and the unions indicated a willingness to move forward with the removal of any barriers that could be found within their own hiring practices or within the union structure?

They really were actively concerned about trying to increase the number of women in, say, something like, say, on a construction site or let's say offshore, for that matter. Do you find, I mean, has that really improved a lot or do you still sense that some of it is just word play?

**LINDA ROSS:** Well, I think there have been changes, there is no doubt, and we have seen improvements. Certainly, as you indicated, people at the senior level in unions and in industry recognize the critical importance of moving ahead and having women in the skilled trades and in these what were always known as nontraditional occupations. I think it becomes much more difficult when you're looking at, for lack of a better word, the rank and file. There are many, many people who support this but there are still those for whom change is very difficult.

I think the women themselves have indicated for them they have seen it being a positive experience but there are still the challenges associated with being the only woman or one of two women on a particular site because it is not as if all males embrace the idea and accept women onsite as equal. So there is still a fair amount of work.

I think one of the critical pieces is the commitment and the intention, yes. That's there, and you indicated that as the sort of feeling we need to have more women and we're going to make this happen. The how becomes somewhat more challenging. And I know that last week on a number of presentations we hear about such thing as "name hire" as being critical, especially when you're talking about organized workplaces. So I think there are still challenges that we have to face, and I think the education piece is very critical. People need to understand that if you're going to fill our labor shortage, there are many women who can take

those jobs but it is going to take doing a lot of work in the workplace to have people understand and accept this. Many do, but there are still those who do not, and I think there has to be a zero tolerance for those who are in opposition to it. It is just not acceptable to have those kind of attitudes and behaviors.

**COMMISSIONER (Miller Ayre):** I mean, is some of what you encounter, but it is obviously more difficult where there is a work camp situation or where there is a living circumstances and so on. There is a locker room mentality that dominates the male psyche or whatever. I don't know if I'm giving myself away here. (Laughter). But we did get a response from Geoff when talking about Bull Arm and the camp site there, that a lot of work was going into common areas and changes the sizes of common areas and so on. Is that the kind of thing that has to happen as well?

**LINDA ROSS:** Well, those kinds of changes have to be made, that's the kind of accommodation. Just as you wouldn't put a woman in a man's clothing to go and work, you can't expect that she's going to go into the men's washroom or she's going to change in the men's change room. But it's a good investment, because, as we all know, on these sites we want to see many more women.

**COMMISSIONER (Miller Ayre):** Geoff, if you could just comment. Were there any specific numbers that you would be anticipating in terms of the number of opportunities under your own Diversity Plan or under programs that you know the unions are working on to specifically talk about a one in eight number or a one in twenty or?

We did receive, some of the presentations, Linda we tried to stay away from .... They didn't like the idea of a quota system. There had to be another way to kind of deal with this, but if there isn't a number up there it is hard to talk about it. But are there any numbers involved here where we can be specific and so on?

**GEOFF PARKER:** Yes. Yes, we have quantifiable and those goals are based on the representation in the workforce. As Linda, pointed out, one of the challenges with that is the information is not always updated that often by Stats Canada. So the last update was 2006. So I think the next update is expected very soon, and so when we get that update, we would again update our quantifiable goals. We'd also review those quantifiable goals every year as part of reflecting on the previous year's performance.

**COMMISSIONER (Miller Ayre):** But I think it is true that all of us understand that there is an opportunity emerging here that helps to remove some of the barriers involved with the processes, the way you've been talking or would historically talk about it. I mean, there is actually going to be a period of where there's a shortage of skilled labor. There is a huge number of people who are available, in terms of if you just look at 50 percent of the population having historically not even been in this workforce, and so it's obvious that the opportunity to move this cause forward is in front of us right now and this seems to me the important time to grab it. I mean, whether it is apprenticeship training, whether it's the fact

that simply more opportunities remove the sort of inherent barrier around seniority that also was an issue in some cases of getting the opportunities on the ground.

I mean, is your organization intending to be much more aggressive over the next year or two? Do you say to yourselves, look, this is an opportunity that doesn't come very often where the barriers are a little bit less than they were?

**LINDA ROSS:** Well, we're certainly involved in a number of committees that are looking at how do we work with this to ensure that what we are doing is advancing women in the industry. So we are looking at what barriers do we brake down? What can be done? What creative solutions are there?

As you said, one of the issues you do face with unions is, of course, the seniority list and women because they are just coming into it, are at the bottom. Are there creative approaches whereby industry can sit at the table with labor and say is there a way, for example, if we're going to take, hire ten men, ten people are needing to be hired, can we hire nine and ensure one is a woman. But it is going to take creative thought.

I think one of the issues is there aren't a lot of models to look at where you can follow the recipe from another province, another country. We're it, in terms of developing it, the collective group of us. And it is going to take some creative thought and it's going to take some risk. There are things that are new; invoking human rights legislation to be able to do targeted recruitment, for example. But, in the end the benefits will be huge. Yes, we're going to still face push back. Evidenced by the fact that after media coverage from some of last week's presentations, one of the open line shows had a call in, people could call, men could call in, and women, about how they felt about women taking men's jobs. So, yes, we still have a long ways to go. That being said, that's by no means a reason to stop. We have women in the province who really want these. We have somewhere in the vicinity of 450 apprentices on the roster of the Office to Advance Women Apprentices. These are women who are ready, willing and have the desire to work in the industries, and you yourselves have invested heavily in supporting not even young women, young girls to be able to look differently at what they have as futures, not necessarily the occupations which are traditionally associated with women. So to see young girls thinking I want to be a welder, I want to be a pipe fitter, I want to be an engineer is tremendous. But what we want to see is good return on that investment, so that down the road we're looking at the young women and young men in our province in these kinds of occupations working side by side making decent wages.

**COMMISSIONER (Miller Ayre):** Have you looked elsewhere in the world in terms of what the numbers look like? I mean, we heard a minute ago from Geoff that there are certain standards that indicate what norms are in place and that we have to at least meet those norms, and hopefully go beyond them, of course, there will never be any advancement. That will just be self-perpetuating but. Do we know if, for example, offshore participation rates for females is dramatically different in the North Sea or in the US compared Canada? I mean, are we particularly behind here, do we know?

**LINDA ROSS:** Well, I can't answer that. There are those who have done the research, and I know some of it was done leading up to the Women in Oil and Gas Conference that was held, I believe, it was last year. However, for us, I think one of the things that we're looking at, and our sense is that in some ways what we are doing here is the cutting edge work in terms of looking at this. Because the other piece of it is we're looking at women in the skilled trades as well as women in science and engineering. I think historically, and there was that whole period where we saw real upsurge of women who were going into science and engineering, now some of that is starting to decline. I think where we are seeing less of it is women in the skilled trades. To me, that's an area, my understanding, is much less common. We're just starting to see that catching on.

**COMMISSIONER (Miller Ayre):** Okay. Geoff, did you have any other comments or questions at this stage?

**GEOFF PARKER:** Just those in answer to your comment around how does it compare to elsewhere in the world. What I see here is cutting edge, I think. We're always trying at all of our operations around the world to work on the diversity programs but here there seems to be a better structure of organizations to work with to support us in that goal. So, to me, during the consultations that we've done, and again, we've heard from during these public review sessions, we see that there's a lot of resources and organizations out there to help us in our goals, because, as we've said, the women in the province make up the largest untapped pool of people who can work on our project and our operations.

**COMMISSIONER (Miller Ayre):** But, I mean, you only have to look at photographs, drawings and so forth from out port life from years gone by to see that some very heavy lifting was done by women.

**GEOFF PARKER:** Yes. The last project I was working on in Russia, most of the crane drivers were women. So they have .... That seemed to be a role that everybody respected, the women as crane drivers. And I'm sure there's many other areas of the trades that we can work on and continue to improve their representation.

**COMMISSIONER (Miller Ayre):** So, I don't know if you have any other points.

**LINDA ROSS:** Well, I would certainly, with respect to the crane operators, we've certainly heard that industry, when they've had women as heavy equipment operators and truck drivers, they are much happier having women in those positions, no offence to the men in the room. But the women tend to be less hard on the equipment than what the men are, and it is found to be a real success. And so, but it takes those first steps of getting women into the occupations to realize they can do it, they can do these jobs and they can do them well, and in some cases better than men.

**COMMISSIONER (Miller Ayre):** Now, that's the idea, better. All right. Well, thank you very

much.

**LINDA ROSS:** Thank you.

**COMMISSIONER (Miller Ayre):** Thank you. We'll be adjourning now till one o'clock. And I guess the same procedure is followed and we'll all show up around one o'clock and whatever is available in the hotel, those of you are coming back and so on, we'll try and adjust the risers and we'll either lower the riser or rise up the lowered people. Okay, thank you.

**(Lunch Break)**

**COMMISSIONER (Miller Ayre):** So I will call this meeting to order, and I'll ask if our clerk would please introduce our presenters.

**ED FORAN:** Thank you, Commissioner. Now we have Coalition of Persons with Disabilities, and representing the organization is Michelle Murdoch and Kelly White. And Michelle, you will do the majority of the presenting or will start. So I encourage you to give us a good conversation, we will listen carefully. Thank you.

**MICHELLE MURDOCH:** Thank you very much. We're actually the Coalition of Persons with Disabilities-Newfoundland and Labrador. We have a new site that's on Hamlyn Road, and we're very happy to have it as office level, at level entry; very easy to get to.

Hamlyn Road, if you look at it, if you used COD as a point and drew a circumference around it and just sort of looked at what your neighborhood would be, you would get such a diverse population.

We have people that live in high density housing, two-apartment bungalows. We have some of the best real estate Newfoundland and Labrador on Waterford Bridge Road. We have people that live in Newfoundland and Labrador Housing. We have all kinds of, you know, where we live represented in this neighbor. We have single families, all kinds of mix of families, single people. We also have a psychiatric institution where nurses and doctors work, people that maintain the building, lab technicians, x-ray, all these supplementary jobs.

We have Nalcor there. So we have CEOs, people that are looking at our big projects that are happening. We have people that support that all the way down.

We have big corporations such as Zellers. We have small business owners; business owners that are established, business owners that are just starting. We have people that work in those businesses. So it is a big array of people. It is really an exciting neighborhood and it is just a whole microcosm of everything. And the disability community is part of that. So we are where Nalcor is. We are where the Waterford Hospital is. We are living, some of us, on Waterford Bridge Road. Some of us are living in Newfoundland and Labrador Housing. Some

of us live in bungalows, some of those work in those small businesses and some of us own those small businesses.

So disability is everywhere. It is sort of like when you have that flu virus going around. It is infiltrated everywhere throughout society; not always visible but it is there. It crosses all types of cultures. There is no stopping. You can't stop it. It is like that virus, it just goes everywhere. And we are there, we are part of that community seen and unseen.

The Coalition of Persons of Disabilities-Newfoundland and Labrador, as I prefer to call it COD, is a provincial disability advocacy organization. So provincial, we have a board from Goose Bay, Little Bay Islands, Grand Falls, Norris Point, Glovertown, Mount Pearl, St. John's and Georgetown. We have a wide diverse board with all kinds of disabilities and some with no disabilities. We have lawyers on our boards. We have people with MBAs. We have people that are working and people who are not working.

When we say the word "advocacy" sometimes it puts a really negative connotation in people's minds, and I wasn't aware of that until one of our funders said to us, we don't want those angry advocates coming up with their placards talking to us and I was thinking, oh, I never thought of myself like that.

But Kelly and I are advocates. Many people in this room are advocates. So advocacy is not always a placard. A lot of times it is people that just want to have the discussion but also have a bank of knowledge. So we're not ... we talk within our purview. We're not interested in geophysics; our purview is disability.

We are concerned with all persons with disabilities, and they call that cross disability. So if you have physical disabilities, mental, sensory, blind, visually impaired, hard of hearing, deaf, if you have intellectual disabilities, learning, disabilities, mental health, everything, all kinds, that's what we deal with.

We do not provide service. Very often if somebody has a child that impacts the family, they'll join an organization to try and get services for that. We're not service oriented. We look at bigger pictures; public policy and that type of thing. If an individual comes to us looking for a job, we send them somewhere else. It is not what we do. We promote the rights of people with disabilities and we raise public awareness.

So our primary goal is advance the inclusion of all persons with disabilities living within our province by focusing on solutions-based analysis. We have worked since 1983 identifying barriers. We can tell you all the barriers that there are. Sometimes these are fluid and sometimes these remain. We need to know, we need to focus on overcoming the barriers, but we're not interested in talking about the barriers anymore. Let's move on and see how can we make this work. Can we make it work? Let's look at it in a different way. So that's our focus.

So what's a disability? And you know, I thought after all this time I would be able to come here

and give you this really wonderful definition of what a disability is and I can't. I have studied it for years. I have thought about it in ad nauseam. My husband is tired of the word but it's so fluid in nature it is difficult to describe.

And I will just give you one example. I took a medication for an unrelated thing and from that medication I developed diabetes. So, I'm living at home with someone who works, who makes a good income. He has a great medication plan. So, for me, I need insulin, syringes, you need the glucometer, which you can usually get free. Those things that check your sugars are \$100 a package, and with diabetes there is other related diseases, so you're always have to take a litany of other pills to prevent what may happen. Don't know the logic of that, but that's what it is.

So in my situation, with my family structure, this diabetes is not really a problem. I have lots of access to those things so I can check the sugars. The more you check the sugars, the better your outcome; however, if my husband leaves and takes his health care plan with him, my whole life would change, and while many insurance companies don't recognize diseases as a disability, if I had that diabetes and I have no medical plan, I have lost my income. I'm on very little income. The decisions I have to make would be very different than the decisions I have now. I won't be so quick to test my sugars three times a day because they are too expensive. I won't be so quick to take these supplementary drugs for something I don't have because it is not going to be an option.

So that's why when we say it's fluid in nature, it really depends on the circumstance and different things that are happening. If I got a job at a really great place that embraced all kinds of people, then I wouldn't need to worry about the diabetes, unless, of course, the places that you work, they have medical plans that don't allow preexisting conditions, and everything with diabetes in your body is preexisting. So, there is all these things that can make something, that can keep you from being included in society, but they are subtle and they are hidden and they're situational, and it really give you a different perspective depending on what your circumstances are.

We do have the United States definition of what disability is. It is very broadly written and it's difficult to interpret and that's purposeful. They wanted to leave it so that it can grow and evolve over time. People can be born with disabilities and people can acquire disabilities throughout one's life span, and you'll notice different perspectives from those two groups.

You have to be very careful not to judge if somebody has a disability by looking at them. One may think mobility is my disability; I would tell you it is something else. So, you can't really look at somebody and judge them and know what it is. We're also good at hiding it.

The reason we're here today is because persons with disabilities do not have the same starting points as others in the province. So COD-NL has identified three things that need to happen just to read that starting point.

I came last week and heard some women talking and they were saying we've got groups of people that have been through skilled training and they can't enter the unions. And I'm going to say to you we're not there. Now, there are many people with disabilities that have degrees and skilled training and they're within the workforce, but there is a huge potential of people that don't. And that's because they just don't have the same opportunity and that's the people that we're talking about.

And I just want to say to you when we describe that, if you lived in Rocky Harbor and you worked at the provincial park and you get laid off for half of the year, you have three young adults at home that all want to go to postsecondary school. One wants to go to Dalhousie; two want to come into MUN. One has a disability and you know from everything you hear and everything you see, that if you have a disability and you have postsecondary training, you are not likely to increase your chances of getting a job. That's an academic point. People who get post secondary are no more likely to enter the workforce than if you don't. So if you're a parent and you know that, and you know it because that's what you see in your community, you're not likely to send the child with a disability or the young adult to postsecondary for all of that money. And that's one of the very basic things we want to say. When we say there is not a level playing field, we're talking about, it comes, it's so pervasive in our society, it comes from a very deep place. And these young people know that and their school advisers know and we're just not seen with the same value.

And don't, when we think of a disability I don't think of wheelchair or intellectual disabilities, I think of, like, everything. You can have a learning disability and this is the category you're put into it. It is an easy category to put people in.

So we say that what is needed to create, to get us to the point that we can even think about education is a community-based facilitator who is knowledgeable about perspectives from both disability and the energy sector to engage youth around the province and inform them of potential for energy sector jobs and scholarships.

And the reason we say this, it is fabulous that there is an endowment fund. I think it's great. You're not likely going to have uptake from persons with disabilities. The way the fund is structured and the criteria is really aimed at a certain group of people. That's great. It's great for the brightest and the best but there is lots of people that have a lot to offer that because of their circumstances and the way they're treated are not going to be in this category simply because they have a disability.

There is a look to the brightest and the best and most of us are not in it. It doesn't mean we're not the brightest and the best, it is just that layer of discrimination. So we really feel that this needs to happen.

The outcomes from doing something like this, to going in communities, to talking with youth to disabilities and telling them that they have options, only if they really do. If nobody is going to hire them, then we shouldn't do this, but if people are really dedicated to including diversity

because of Benefit Plans this is what we need to do. You would increase community capacity.

The Honorable Minister Joan Burke, when she did her proclamation for International Disability Day on Tuesday, said 38,000 persons within this province identified as having a disability. If you took one quarter of those and just thought of it as 10,000, that's a huge resource pool. And we talk about bringing people in from away and Kelly and I sit there and we keep thinking we can't see what's in front of us. And these people are there and quite capable.

You would get the beginnings of a resource pool for the energy sector, and you would have an opportunity to showcase how large industry or energy can engage underrepresented or disability or diversity within Newfoundland and Labrador. If you take on a project like this, celebrate it. Tell people you do it. Tell it's important, and take the credit for it.

The other thing that we believe is needed is community-based research. I'm talking about research that comes from offices such as COD. We're a resource. We have a great deal of knowledge about disability. A couple of years ago, I did a community-based research as part of a degree program that I was working on, and we developed this book. It had a big long name and when we brought the name to the community they said what? So we called it the WAAT Project; meaning women and adaptive technology. And it was just telling a small group of women what is available to help them get jobs. All of these women have gone on to get jobs, by the way.

One of the recommendations, the first recommendation in this research was the development or the need of a Disability Policy Office. That was in 2006. There was no talk of one then. We now have a Disability Policy Office within government. I'm not saying that this was the sole source of that, but I'm just saying it was a bit of imperial evidence that helped solidify people that made decisions that we needed this.

Other things that came from this was simple things. Like, when people got a job in Finance, if you were blind and you needed a computer package to do your work, Finance bought it, but if you transferred over to National Resources, Finance kept your computer package and you had to go and get another one, so you worked for a couple of weeks with no resources to do your job. So when we told them that, they said, oh. So now the person gets the package and as you go through different fields. You know, it is not rocket science, it is not hard and it's just a bottom-up way to think of how to solve some problems that become very big as they grow.

This project was highlighted by the university research matters in 2006. As a community-based project, that was different from what the university normally does. It was also highlighted in the 2005 convocation by Dr. Eddie Campbell. So it did receive good recognition and we received a national award by John Lord, who is an international researcher, and he focuses on disability issues. So this is community based. It is like if you needed a geophysics project, you would probably go to C-Core, say put in a proposal, get the people you need to do the mapping of the Atlantic Ocean. Well, we're that in disability. We have a level of expertise. We know what needs to be done. You just do the job. It is not about rambling

on forever, it is getting the job done.

I could go on about research for a long time. The outcomes, it gives you approaches that advance labor market entry for persons with disabilities in nontraditional areas. This is the solutions base part. It looks at hiring practices. Why is there difficulty? Why, as you filter down through contractors, do you lose that sense of diversity?

You can get recommendations about processes through which persons with disabilities can be recruited. Your research can design audits to promote barrier-free workplaces. Again, as you get the trickle down, what is the problem?

We're not saying that you should take me and put me in a geophysics job. I'm not qualified. We're not saying you should take anybody who's not qualified and them in a job. We're saying that you should take qualified people and ensure that there is access to do their job.

There is also the convention of the Rights with Persons with Disabilities, and this is a UN convention ratified by Canada in 2010, and it tells you the legal responsibilities and that people need to be included. And that employers and us, all of us, as society, have different responsibilities to ensure that happens. Nobody has been challenged on anything with that yet, it is just new.

The other thing that we believe is necessary is the establishment of a working group; a practical solutions-based group of people who can actually talk about what really needs to happen. I think it's great to have events where you tell us what's happening, and we've heard that over the years, but sometimes we're sitting there thinking, ah, I don't know where that's happening and you lose it. The engagement on both parts is lost. I think it is really important that we can sit down and work together and know what's happening and what's not happening.

In our own community we have a lot of challenges. We don't expect ExxonMobil or anybody to come in and solve all our problems. We're just saying let us be included in the Benefits Agreement and we can work together in partnership to improve some of these issues. But it is not just an oil problem, it is our problem. And we want to be practical about what can happen.

The outcome of engaging us is you're engaging disability leaders within the conversation and you're varying your perspectives. The other thing that COD has access to is we have a network of executive directors and chairpersons. We call it "The Network". That is a group that meets on a regular basis and is all the disability leaders across the province. So you have people from CNIB, Canadian Hard of Hearing, Canadian Mental Health. All of the provincial service organizations get together and meet.

You can come any time and talk to us. We're very happy. We have a fully inclusive meeting, so we'll have sign language interpreters there. We'll have closed captioning. We include everyone in our meetings and you're always welcome if you'd like to address us. Be prepared.

They can talk more than me.

So, developing partnership and anticipating outcomes, why bother? It just gives you the establishment of diversity in the workplace that engages people from all sectors of the community, creating new frameworks of best practices that enhances everyone's involvement in the Hebron Project. And that may sound warm and fuzzy but we believe it, and that's what we're hoping will happen. My time is up.

**COMMISSIONER (Miller Ayre):** Wildly good timing.

**MICHELLE MURDOCH:** Wasn't it? It was purely intentional, sir.

**COMMISSIONER (Miller Ayre):** Did you have something else to do or are you just good at stopping?

**MICHELLE MURDOCH:** I think Kelly wouldn't agree I'm good at stopping but we were done.

**COMMISSIONER (Miller Ayre):** Well, I think you've raised quite a few points, and we haven't talked much about this particular issue in the context of a project such as this kind. So I think I will just ask Geoff first if Hebron or ExxonMobil, I mean do you have a corporate position statement on disability, an affirmation of what you do?

**GEOFF PARKER:** Yes, and when we talk about our diversity programs it does include persons with disabilities. So I know because of the context of various discussions in the last week it has often been focused on gender equity but the same pillars of the diversity program apply to persons with disabilities in terms of expanding the pool of qualified candidates, recruiting and the supportive work environment.

**COMMISSIONER (Miller Ayre):** So I just ask a couple of questions now to see, you can give me a slightly better idea of some of the things you do and I can understand it a bit better. You do look at the Benefit Guidelines for something like this or major projects, and you actively try to develop a working relationship?

**MICHELLE MURDOCH:** Yes.

**COMMISSIONER (Miller Ayre):** An advocacy role is one in which you're talking about explaining more to them, talking to them in the context of what you would expect and what you think is possible. Is that really what happens?

**MICHELLE MURDOCH:** I can give you an example.

**COMMISSIONER (Miller Ayre):** Okay.

**MICHELLE MURDOCH:** We've been having significant challenges with health; Department of

Health and Regional Health Authorities. So through a series of unrelated events that, fortuitous events, we happened to meet with a higher level person in Eastern Health, and she's connected with the community. She brought us in. We met all of her directors and regional managers. They did up a book and said this is what we do. This is our guidelines. This is why we operate as we do. Now, you read them. We'll come back to the table and we'll see what doesn't work in this book and we'll write a joint paper and bring it to the ministry health, the Regional Health Authority as the bigger whole. So we see that as an opportunity to say, to do exactly what we're saying here, the same type of relationship. And it is a very exciting thing to think that we might actually crack health in some .... It is a very big entity and we're hoping to work with them and change some of the outlooks for both our population and their population.

**COMMISSIONER (Miller Ayre):** So it's ironic that it's the health department that you had be aggressive with.

**MICHELLE MURDOCH:** It is. Sometimes there is a debate as who the experts are. We see ourselves as having an expertise about ourselves in disability, and it is separate from the expertise of health.

**COMMISSIONER (Miller Ayre):** So, I mean, are you saying that when you're presenting here today, you're presenting partly to the Hebron Project team that you understand certain issues in the context of disability people, and you would be interested in chatting with them with their people?

**MICHELLE MURDOCH:** Absolutely. We know there is issues about, we know that there is a gender equity plan and including women. Disability, half of people with disabilities are women. So if we can't engage on the disability level, we will encourage women with disabilities to go in under gender, but we see gender as one issue and adding disability is another layer of complexity for the people that have to do that. It is not simple. Like, it is an another layer.

**COMMISSIONER (Miller Ayre):** I just want to make sure I understood the sort of outcome you'd have in that process. Sorry, Geoff. Go ahead.

**GEOFF PARKER:** I was just going to point out that actually we've already consulted with the Coalition. So this is another example of in Newfoundland and Labrador having these focused organizations readily available and very visible to help us implement our programs. So, we've had that consultation and that has led to some of the initiatives have already kicked off; for example, the Blundon Center at Memorial University where we've providing funding so that persons with disabilities can undertake some of the assessments that are required for them to access certain programs in the university.

**COMMISSIONER (Miller Ayre):** So there is some go ahead at this point already in what you're able to do, is that correct, or not? What would you like me to do for you if I was a genie just

popped out of a bottle? That's a bit of a scary thought.

**MICHELLE MURDOCH:** I think that's wonderful to pay for those assessments at the Blundon Center. They are very expensive and I think that's great. I think there is a whole population that aren't at MUN. That's a resource pool that we need to get to. And I think that's what we're saying is just how to get those people that are out there that could contribute to the workforce that aren't even at the plate yet. And I'm thinking of youth. Like, in disability, some of these programs that include youth are 38 years old. There are people looking for jobs everywhere and it is just a matter of are they in the right training.

There is so many questions that need to be asked, and I think even the research money that's been offered is wonderful but it is in a very academic manner, and there could probably be other ways to tweak that, that you might get more uptake that's not .... I don't mean you're going to get a lesser degree of person qualified. I think you can get qualified people with disabilities but they face more barriers to get to university.

**COMMISSIONER (Miller Ayre):** Now in the Benefits Plan Guidelines there is a statement that "Disadvantaged" - I will read it out - "Disadvantaged groups and individuals are to have access to training and employment opportunities and groups should be able to participate in procurement." So do you have any sense of, this is not the first project, and the industry has been around for a while. Have you ever been able to take advantage of those for the Benefit Guidelines statements? I mean, is the oil industry somewhere where you've had some success? I mean, it is actually in the guidelines, the concept that efforts should be made in this direction.

**MICHELLE MURDOCH:** That's why we felt strongly we should be here. I think it's amazing that, I don't know if there is other disability groups coming but to my knowledge no. No, we haven't had any. We've had meetings where you get a luncheon and you'll hear what's happening but not ... I'm talking about real engagement. I am talking about making change and trying to push the wheel a bit to get things moving.

**COMMISSIONER (Miller Ayre):** So in other words, you're trying to break some ground?

**MICHELLE MURDOCH:** Absolutely.

**COMMISSIONER (Miller Ayre):** Yes. Just as a matter of interest, are there particular industries where you have had, where you can say, look, that you can point to that are kind of the ones that really are doing a good job or are we just not doing a good job in Newfoundland, in general, in this?

**MICHELLE MURDOCH:** No, we are not doing a good job in Newfoundland. Really, if you have a degree or a graduate degree, it doesn't increase your uptake in employment. It's just the way that it is. It is our attitudes that need to change. I think that the environment is there for changing attitudes, the government is very upfront, but it is a lot of work.

**COMMISSIONER (Miller Ayre):** So if you made even comparison to other provinces, we're lagging behind here?

**MICHELLE MURDOCH:** I believe.

**KELLY WHITE:** Oh, absolutely.

**COMMISSIONER (Miller Ayre):** I was interested in that statement. I mean, and the comment you made just now, the study about secondary education not contributing to advancement, is that peculiar to this province?

**MICHELLE MURDOCH:** No.

**COMMISSIONER (Miller Ayre):** No.

**MICHELLE MURDOCH:** That's a general statement about disability. That's academics, reading that say that about disability, going by statistics.

**COMMISSIONER (Miller Ayre):** That's interesting. Well, I think, I don't know, Geoff, if you have anymore. I think I'm pretty satisfied. You go ahead, if you another comment or something you need clarified.

**MICHELLE MURDOCH:** Just, Kelly was telling me that, as long as you know, 48 percent of people with post secondary are unemployed in this province. We have a lot of people ....

**KELLY WHITE:** In disability.

**MICHELLE MURDOCH:** With disabilities.

**COMMISSIONER (Miller Ayre):** So this would be a person who's already are showing the effort to continue on and to do, go beyond the normal education process into the higher level process and so on.

**MICHELLE MURDOCH:** Yes. More women with disabilities go to university, more men with disabilities go to community colleges.

**COMMISSIONER (Miller Ayre):** Okay. Well, thank you. Both of you for coming. I think we've all learned quite a bit. I hope that this leads to some success, and you'll move on and make that inroads in the oil and gas business here.

**MICHELLE MURDOCH:** I believe that we have to. I think this is our opportunity. We're here and we need to, we as COD need to ensure that we can do that.

**COMMISSIONER (Miller Ayre):** Okay.

**MICHELLE MURDOCH:** Thank you, sir, for the time.

**COMMISSIONER (Miller Ayre):** Yes. Thanks, Michelle and Kelly. Thank you very much. Well, we've got four or five minutes before the next presentation, so we can move about a little.

**(Nutrition Break)**

**ED FORAN:** Okay. Now presenting to the Commission is NLOWE, and representing NLOWE is Paula Sheppard. And Paula, if you could proceed.

**PAULA SHEPPARD:** Good afternoon, my name is Paula Sheppard. I'm the Executive Director of NLOWE. NLOWE stands for the Newfoundland and Labrador Organization of Women Entrepreneurs. We are a nonprofit organization established in 1997, that is the only provincial business organization focused solely on women. Our goal is to support and celebrate women in business. Since 1997, NLOWE has helped thousands of women start more than 800 new businesses and create over 1700 new employment positions.

NLOWE is pleased to see that the Hebron Projects, Canada-Newfoundland and Labrador Benefits Plan has elements that support diversity and supplier development in Newfoundland and Labrador. As the only provincial organization that supports the women in business exclusively in Newfoundland and Labrador, NLOWE is here today to encourage the Hebron Project to implement a formal supplier diversity program to help achieve its mandate of *"promoting the development of local skills and industry capability that leaves a lasting legacy for the communities in which we operate and for the province."*

Traditionally, procurement opportunities in the oil and gas industry tend to target suppliers that are large companies.

Smaller, women-owned businesses are often focused in traditional sectors such as retail and professional services which can limit their ability to a supply to the industry.

With the Hebron Agreement, women-owned businesses have an unprecedented opportunity to become part of the oil and gas supply team in Newfoundland and Labrador and beyond.

While there are women-owned businesses that are already in the supply chain in the oil and gas industry, there are many more that could be.

The majority of women-owned businesses have characteristics that have traditionally limited their opportunities.

They are small in number: the standard definition of women-owned business is that 51 to 100% of ownership is held by a woman or women. Women-owned small to medium

enterprises in Canada constituted less than 20% of the total SMEs in recent statistics.

They typically have low revenues. Revenues earned by majority female firms are approximately half of revenues earned by majority male-owned firms.

Many are service sector-based; 80% of women-owned SMEs are in service-based industry such as wholesale/retail, professional services and information, culture or real estate.

In summary: women-owned businesses tend to be smaller in size and revenue and focused on traditional sectors.

At the same time, these businesses still have the unique characteristics of SMEs: versatility, innovativeness, and an ability to respond to demands quickly.

By implementing a formal supplier diversity program Hebron has an unprecedented opportunity to capitalize on the untapped potential of women-owned business to supply to this project, subsequently solidifying the project's goals of leaving a lasting legacy for the province.

The Hebron Projects Canada-Newfoundland and Labrador Benefits Plan's Diversity Plan includes a valuing diversity statement which clearly demonstrates an understanding that diversity provides an opportunity to gain competitive advantage, and that aside from being a socially responsible business decision, it also positively impacts a company's bottom line.

A supplier base that reflects the growing diversity of Canadian businesses in particular and the population in general makes good business sense. Women are involved in 85% of purchasing decision but receive a very small fraction of large contract opportunities, despite the innovative and quality products and services they are bringing to the marketplace at an escalating pace.

WEConnect Canada, a national nonprofit organization that certifies businesses as being majority-owned and managed by a woman or women estimates that the Canadian women-owned businesses comprise less than 5% of all domestic and international suppliers to corporations and governments. The result: women's businesses do not grow, big business misses out on value and innovation, and national productivity and GDP suffer.

On November 1st, 2011 the Hebron Public Review Commissioner released a report by Dr. Wade Locke entitled "*Assessing the Economic Impacts of the Hebron Offshore Oil Project*". In it, he compared Hebron to Hibernia for expenditures and employment. He found that Hibernia had a cumulative expenditure of 47% for local and 25% for other Canadian suppliers, for a total of 72%. While the Hebron Project, based on this Benefits Plan, has a planned expenditure of 44% for local, and 23.5% for other Canadians, for a total of 67.5%, plus or minus 25%.

We feel that the Hebron Project's local expenditures should - and can - surpass the Hibernia local expenditure by tapping into the diverse supplier base of women-owned businesses.

A report released in 2011 by the Canadian Task Force on Women Business Growth states, *"a 20 percent increase in total revenues among majority female-owned enterprises will contribute an additional two billion per annum to the Canadian economy"*.

The implementation of a supplier diversity program for the Hebron Project will certainly have a positive impact on the economy of Newfoundland and Labrador and the people who live here.

ExxonMobil currently has a supplier diversity program in the United States that is defined on its website as *"a proactive business process to provide diverse suppliers equal access to purchasing opportunities. It is consistent with procurement's processes and objectives to source and deliver goods at the lowest total system cost."*

While implementing a supplier diversity program in Canada is not as simple as using the same system in the US, this program can be used as a model for supplier diversity program in Canada.

Canada uses human rights legislation as its platform for workplace and supplier diversity, and as a result, companies in Canada have to self-disclose minority status. However, if there is a company that has formal supplier diversity program there is an exemption under human rights legislations and such questions can be asked which is supported by section 16 subsections (1), (2) and (3) of the Canadian Human Rights Act.

A supplier diversity program is considered a special program in that it intends to eliminate or reduce disadvantages that are suffered by a group or individual, in this case businesses owned by women.

One major identifier for women-owned businesses is WEConnect Canada certification. Certification by WEConnect Canada verifies that the business is majority owned, at least 51%, managed and controlled by a woman or women. This certification meets global certification standards which is crucial to multinational corporations and government procurement departments that want to demonstrate and measure diversity in their procurement practices.

NLOWE recommends that the Hebron Project also adapt this standard definition in its supplier diversity initiatives. Certification with WEConnect Canada is the national and international standard that other Canadian corporations are using to attract diverse suppliers. As well, the Women's Business Enterprise National Council, or WEBENC, certification in the US is the current standard used by ExxonMobil in that country and would allow for more consistent internal processes for doing business in both Canada and the US.

A recent article entitled "Building the Case for Corporate Diversity in Canada" in *DiversityPlus Magazine* states that "certification is a prime path for corporations to reach qualified minority

firms". Canada's prevailing legislation prevents businesses from asking about minority status, making it difficult for groups to work with diverse suppliers to find those suppliers. Public certification as a diverse business eliminates ambiguity about the status while showcasing the breadth and quality of women-owned businesses in Canada.

NLOWE has currently trained assessors for WEConnect Canada on staff. We therefore have the ability to assist and facilitate the certification process making it an easy and straightforward process for women business owners in this province. NLOWE is already facilitated WEConnect Canada certification for several women business owners in the province and we are currently working with many others that are in process. We have an extensive network of women business owners across Newfoundland and Labrador that have the potential to supply to major upcoming projects. NLOWE is also in the process of developing a program called Business Connections that will assist women in business to gain the skills they need in order to supply to projects such as Hebron. This training will focus on components such as procurement, responding to RPFs, partnering and teaming.

NLOWE recommends that in implementing a supplier diversity program, a vendor registration database be incorporated that would allow businesses to indicate that are a diverse supplier upon registration. BMO Bank of Montreal has such a system in Canada whereby potential suppliers are asked questions such as: *"Are you a diverse supplier according to one of the following classifications?"* for which the classification for women business owners is defined as women-owned business enterprises or WBE.

Businesses that indicate a WBE classification are then further prompted to indicate if they hold certification such as that offered by WEConnect Canada.

Aside from asking companies if they have WEConnect certification as an identifier as a women-owned business, companies may also be asked other measures, such as: *"If you are not certified with WEConnect Canada, would you be interested in pursuing certification?"* By doing so, companies that are not presently certified can indicate potential ability to do so, thereby allowing Hebron to identify potential diverse suppliers for the future.

The Hebron Project can implement similar strategies into its vendor supplier database that will assist in identifying potential diverse suppliers in the early stages of the procurement process.

The Hebron Project can simplify and demystify the procurement process in an effort to reach out to women-owned businesses. Having a targeted approach and/or targets can open opportunities in the supply chain.

The current Benefits Plan briefly outlines how targets will be set for employment diversity but no indicators are set for supplier diversity targets.

It has been widely reported that there are no concrete small business statistics on the number of women business owners in Newfoundland and Labrador; therefore, it is an even greater

feat to identify those that are 51% owned, managed and controlled by a woman or women. Although these numbers are not readily available, it is not a reason to default on setting targets and goals in the Hebron Project's Benefits Agreement.

NLOWE strongly recommends setting reasonable and targets and goals for women-owned businesses to supply to the Hebron Project. In order to do so, we recommend that specific quantifiable data be collected from suppliers in the first year of the project.

A report released by the University of Queensland, Australia, Center for Social Responsibility in Mining stated, "... companies should be collecting baseline data so that they can be able to monitor changes over time in the level of economic activity and assess the effectiveness of local procurement strategies."

Baseline indicators for women-owned businesses must be collected, that include but are not limited to: Number of women business owners that register as suppliers for Hebron; number of women business owners that indicate they have WEConnect Canada certification; total sales; procurement budget; and percentage of sales with Hebron Project.

Can Hebron share with us now what diversity-related data is being collected? How is this data currently being reported? What actual waiting is diversity given when evaluating procurement contract bids? We understand that implementing a supplier diversity program is an in-depth and lengthy process; however, measures need to be put in place now to initiate this process.

In order to show accountability, supplier diversity spends must be tracked and made public. Specific data must be collected from diverse suppliers in order to have quantifiable data that shows impact.

Once baseline data has been collected, it can be analyzed and subsequently stretched. Targets can be set for the upcoming years based on the first year baseline data.

Without setting reasonable goals and targets, Hebron will not be able to monitor a supplier diversity progress and the subsequent impact that supplier diversity initiatives are having on the project's bottom line as well as the impact it is having on the economy of Newfoundland and Labrador.

The Hebron Project's Benefits Agreement states that it will, "*where appropriate and economically justified, adjust the scope of bid packages to remove barriers that may tend to hinder the participation of diverse businesses.*"

Although we are encouraged by Hebron's progress on this issue, we want to know what tangible procedures are being put in place that will increase the opportunities for local women business owners to bid on such contracts.

Hebron has been communicating to the local business community regarding upcoming

supplier opportunities but this is not enough. Small businesses are often intimidated about the process and they may not have the access to capital required or lack the appropriate measures, such as health and safety requirements to be able to immediately supply to the project.

These businesses may not be successful in securing contracts and they will miss out on the opportunity to further develop the business skills to be able to supply to future contracts.

Statistics show that the majority of women-owned firms are small to medium-sized enterprises. In order to have local women business owners supply to the Hebron Project, NLOWE encourages the de-bundling of contracts where possible. Offering smaller bidding opportunities will allow smaller local business an increased opportunity to supply to the project. This can open up the competition and provide the oil and gas industry with more innovative and value-driven suppliers. It may also save money as local supplier's prices may be more competitive as goods and services will not have to be imported into the province.

Health and safety training, catering, human resources services, event organization, quality management, corporate gifts, printing services, photography, marketing communications and industrial supplies are just a few of the products and services that are available locally through women-owned enterprises.

The Hebron Project's Benefit Agreement has stated the desire to leave a lasting legacy on the economic development of Newfoundland and Labrador. Increasing supplier opportunities for diverse businesses will certainly increase that impact.

To achieve the goal of diversity inclusion as set forth by Hebron's Benefits Agreement, we feel that the implementation of a supplier diversity program will be a streamlined, cost efficient and socially responsible step forward to exceed those goals. The status quo won't do. We need to be innovative and move beyond the traditional methods of doing business, and we need to take a collaborative approach to facilitate business access to increase the projected economic benefits of Hebron Project.

NLOWE looks forward to working with Hebron and women business owners of this province to help achieve this mandate. Thank you.

**COMMISSIONER (Miller Ayre):** Thank you, Paula. I was interested in the process of certification certificates and so on that you can get to indicate that you're 51% owned by women. In this particular instance, you indicated that there is such, in the US there is such a thing.

**PAULA SHEPPARD:** Yes.

**COMMISSIONER (Miller Ayre):** But it doesn't exist here or it does?

**PAULA SHEPPARD:** WEConnect Canada certification is the equivalent of the WEBENC certification in the US. The WEConnect Canada is a certified body in Canada, and WEBENC is the certifying body in the US.

**COMMISSIONER (Miller Ayre):** So is that interchangeable now? Do they recognize or is it just one is a Canadian standard?

**PAULA SHEPPARD:** One is a Canadian standard; one is a US standard. They are working towards full equivalency but right now they don't have it. Some companies will see it as full equivalency and some organizations will not. So we are working towards it. That's part of something that we're doing with the WEBENC and the WEConnect Canada, along with WEConnect International in order to make it all very streamlined process. So if you get one, you will be recognized in another country.

**COMMISSIONER (Miller Ayre):** In both the examples you gave, in fact in the US, ExxonMobil recognizes the US one and the Bank of Montreal. Now these are very, very large organizations.

**PAULA SHEPPARD:** Yes.

**COMMISSIONER (Miller Ayre):** What is the take-up of recognition the procurement activity of companies across Canada with our program?

**PAULA SHEPPARD:** It is very much so in the infancy stages in Canada. In the US it is very big. WEBENC is 15 years old in the US and there are a lot of major corporations, I would say most of them, that do have some sort of supplier diversity initiatives. In Canada, there aren't as many, I will admit. And WEConnect Canada is only three years old. So it's a very new process.

What we are finding across Canada, and especially in this process, this province is people don't even understand what supplier diversity is. So we are very much in the education stages right now, and we are seeing a lot of interest, a lot of interest especially from US corporations that are doing business in Canada that want to do the same thing in Canada, but not as much in Canada.

**COMMISSIONER (Miller Ayre):** So, I mean, you mentioned BMO. Do you know other major organizations or ones we'd all recognize? I mean, just to give us a feel.

**PAULA SHEPPARD:** Yes. UPS, IBM, well, BMO Bank of Montreal, Pfizer, Merck; those are just a few. I mean, I was only talking to IBM and UPS a few days ago about what they are doing in Canada, so.

**COMMISSIONER (Miller Ayre):** So right now you get and it is probably only really meaningful for larger, to some extent larger organizations.

**PAULA SHEPPARD:** Larger organizations, yes.

**COMMISSIONER (Miller Ayre):** Means more to you. Are you familiar with this kind of thing in the US, Geoff? I mean, did you know about this?

**GEOFF PARKER:** Yes. Yes, we get engaged in that a lot in the US, and even as a project manager it affects what I do and how I report that back and monitor that internally within the company. And as Paula said, it is more in its infancy here but there is a lot of advantages to bringing some of the lessons from the US and perhaps trying to build on their programs, rather than reinvent. And so, for example, the suggestion of using the same definition just makes things easier because we're used to that definition.

**COMMISSIONER (Miller Ayre):** Have you been involved long enough with the local organization to be able to comment on what the history is in terms of working with the megaprojects? I mean, with White Rose or something? Or how about Vale, have you done a kind of presentation to Vale Inco and so on? No?

**PAULA SHEPPARD:** This is the first presentation that we've done as an organization. This is very new to us as well. But across Canada we're seen, Newfoundland and Labrador is actually seen as one of the most progressive province wide and organization wide for NLOWE in terms of supplier diversity initiatives.

And we see right now in our province a really good opportunity because we have these big projects that are going on. It is not just Hebron, there is several other projects that we are going to be working with, because there is a real opportunity here to do something very ground breaking, very progressive.

**COMMISSIONER (Miller Ayre):** Well, in each of these cases, I mean, there is usually a supplier organization. I mean, have you chatted with NOIA or any of that?

**PAULA SHEPPARD:** Yes, we have. We do have, and that's one thing that NLOWE has always been doing, is doing very strong partnerships with NOIA, Women in Resource Development, Office to Advance Women Apprentices, Provincial Advisory Council on the Status of Women. We do have a lot of partnerships and we tend to work together, because the only way we're going to move forward is to work together.

**COMMISSIONER (Miller Ayre):** Geoff, would it be typical for you to have a .... In the Canadian context, would there be such a thing as monitoring Canadian businesses or? I mean, you'd probably monitor local businesses in general but would you even know here?

**GEOFF PARKER:** No. And that's what this WEConnect is about in terms of doing the certification. So we've got a central registry, if you like, so we can know who is out there who meets this definition of a women-owned business.

I guess the other point I was going to make is in answer to your question on teaming up with NOIA, and also Paula's point around increasing awareness. We have been working with NLOWE on sponsoring some of their conferences to raise that awareness, and particularly I think there was a joint event we sponsored between NLOWE and NOIA to try and just broaden the awareness and get it more out into the supply community.

**COMMISSIONER (Miller Ayre):** So in the US, I guess, there would be women's groups and other types of proactive groups and so on that you would normally ... the company would historically ... is it normal? I just don't mean ExxonMobil but, in general, larger businesses would be in tune, perhaps there might be five or six different categories, or ten or fifteen, where there is some effort to keep a tracking on whether they are certified or whether they qualify for certain things. And it is just a corporate reality that you would make decision, yes, we believe from a diversity point of view, or whatever, we want to work with that group, with those standards? Or is it a business decision that says this looks like something where we can grow relationships?

I mean, you can't legislate most of the business. You might be able to legislate in something like a project like this, have some ability to do it. But in general that's not the case, is it?

**GEOFF PARKER:** I think it's more around increasing opportunities and trying to eliminate barriers, and so if the barrier is that some of the businesses need some help on understanding the safety and quality requirements, then we do programs that we've talked with the ESDA program of educating them in what's needed to do business with us. So, to me it is a bit like a lot of our other initiatives where we're providing the opportunities and eliminating the barriers.

**COMMISSIONER (Miller Ayre):** I mean, I wasn't aware of this organization myself but it is obvious that someone like BMO sees this as something they should do, that their customers perhaps would expect it, in addition to whatever other merits there are to doing so. It would be a logical customer-based decision to do this kind of thing.

I mean, we've heard from .... It is just a general comment that we've had quite a number of presentations that really have provided a base for us to see how active things are within the community, directed around special needs or special interests and so on. I mean, this is another indication of something which I think is interesting for us to hear about, and so I mean we're delighted you've come. I don't know if there is any other points you want to make before you wrap up or anything.

**PAULA SHEPPARD:** No. I just like to stress, as I said, the importance of setting the goals and setting the targets because that's what everybody is saying is that we don't have any quantifiable goals, but we don't have the data. So we need to get the data in place. We need to track who we're working with, and we need to provide, as an organization, the businesses that are available to do business and to set those targets. I mean, it might be five percent, it might be six percent, but I think if we don't set the targets and we don't put goals, then what's

the incentive going to be to move forward and make this as progressive as we possibly can, because there is a lot of potential here to do something really, really great.

**COMMISSIONER (Miller Ayre):** Yes. Do you have, many of your clients, are they from smaller communities around the island as well?

**PAULA SHEPPARD:** Yes. Yes, we do have several. Most of our companies, I would say, are outside St. John's area.

**COMMISSIONER (Miller Ayre):** So you're okay then? Yes. All right, then. Thanks very much.

**PAULA SHEPPARD:** Thank you.

**COMMISSIONER (Miller Ayre):** Now, Rob, we will give you a couple of minutes to catch your breath. Then we'll shuffle around for a minute or two.

**(Nutrition Break)**

**COMMISSIONER (Miller Ayre):** Okay, Ed, do you want to make the presentation declaration on behalf of the Harris Center, or have I given it away?

**ED FORAN:** I will just make the introduction. I think Rob will do the presentation. So we have Rob Greenwood here from Memorial University Harris Center. And again, we welcome your presentation and your interest here in the project and the Commission, Rob. Thank you. So please proceed.

**ROB GREENWOOD:** Well, thank you. It is great to be here. This wasn't a group I was initially going to present to. There are people at Memorial University much more connected with the oil and gas activity, but the more I learned about it from the staff and the team I think the Harris Center model, which has been in place now for seven years, is something that could be very helpful to the companies and the regulator in looking at ways to be creative in connecting research and development, education and training, knowledge throughout the province.

And so I'll try to avoid giving my full presentation before I start the slides, which I often do. Is the procedure, I'll run through all the presentation and then Q. and A., because I'm happy for you to ask?

**COMMISSIONER (Miller Ayre):** Keep going and then we'll write down our thoughts.

**ROB GREENWOOD:** All right. Hopefully I'll prompt a few. So here's pretty diagram to begin with. I did bring hard copies and there is a full-page version of this at the back of the deck that I provided. This is also in the Harris Center Annual Report, the one that's out and it is on our website, and we have a brand new that's coming out now. I would like to recognize Rebecca Coho here from the Harris Center, one of my colleagues, and Dr. Doug House, who's one of the

advisory board members for the Harris Center. I think that's all the Harris Center directly connected people but lots of partners in the room.

What this emphasizes is that the Harris Center serves as a broker/facilitator/catalyst to connect the faculty staff and students of Memorial University with the needs of the province. That's essentially our mandate.

We are not a think tank. We're not meant to be doing projects in in-house, although we have some amazingly capable of people. We really are there to facilitate, coordinate, broker. And so, when we're looking at things to do, where ideas come from, they come from all over the place and we're there to serve as a bridge between the university and the community, government, and business, NGOs, nongovernmental agencies.

So, we work with community organizations. We work, of course, with our partners within the university. We work with all three orders of government and within industry. And we have done several things with the oil and gas sector. I think the Women in Oil and Gas Conference has been talked about here today already, and that was hosted by the Harris Center in partnership with our partners in the industry. We worked on a oil and gas and economic development conference a few years ago, partnered with NOIA and other partners. But our mandate is much broader, really connecting with anything that relates to the needs of the province.

And then we've developed, over the seven years, a series of programs and activities, and I've also provided you with hard copies of a compilation that's part of our advisory board book that lists all the research projects that we've supported through our applied research funds in the last seven years. We also organize conferences, workshops, et cetera. So the listing is so that you have a full range of the kinds of things we touch is there for your reference for later.

So we do regional workshops, for example, four a year: one in Labrador, one in western Newfoundland, one in central, one in east. We partner with the Regional Economic Development Boards in the 19 economic zones, and when we did the one in northern Labrador we partnered with the Nunatsiavut government. And at those workshops we rely on the local partner to get the community out. They set the date. We have a committee that works on it together. And in the morning of those workshops, we talk about what is Memorial currently doing in that region. And until we started those workshops, no one at Memorial could really tell you what we were doing in that region. A lot of our job is to nag the university incessantly to keep track of the great stuff it's doing. And so we go to those workshops, and after nagging we find out 30, 40, 50, 60 current projects Memorial is doing on the Burin Peninsula or the Nunatsiavut region or pick your area. And that can be faculty, it can be staff, it can be students, it can be the marine institute, does tons of great work all over the province. And so then we get as many people from the university who are involved in those projects out at those workshops. And we have anywhere from 15 to 20 to 25 to 30 senior administrators, faculty staff and students out at those workshops.

We just did one in Port Hope Simpson on the coast of Labrador, partnering with the Regional Economic Development Boards in zones 4 and 5, the coast and the straits. We had 15 faculty staff and students from Memorial on a weekend. We did a Memorial Presents public policy forum on the first night, as we always do, on a topic the community group picks. And that was one was on regional cooperation. Then we do the workshop wherein the morning, as I mentioned, we talk about what are we currently doing in the region, and then we have breakout sessions where people who are interested in health care or environment or economic development, and we base it on the interests of the community and the work we're currently doing for those morning sessions.

But in the afternoon we say what else could Memorial be doing. And we emphasize we're not a consulting firm. You may be aware, if you're not, you should be. No one tells anybody what to do at a university.

But when you look at that list of projects of good stuff that's already happening, if you can capture the interest of faculty and staff you actually can tell a little bit what to do, but faculty in particular. A key element of the brand of the Harris Center is the integrity and independence of the university. And so we really emphasize, if you can align interests of faculty and graduate students or undergraduate students amazing things can happen.

And so in the afternoon we brainstorm in theme areas that the Regional Economic Development Board and their community partners come up with. And then our job, we do a report listing all those potential projects. And we have a couple of staff, a manager of knowledge mobilization and a coordinator of knowledgeable mobilization, great buzz words. Those are the ones the funding councils in Ottawa like, so we give them what they want to hear. But it is basically brokers, facilitators, go-betweens who then go back to university and try to find the faculty staff, students interested in doing those projects.

I will jump down. We do a ton of networking in those workshops, but daily sessions like this, conferences, et cetera, and just through our website and e-mail. We're networking all the time.

We have developed Yaffle. If you haven't been on Yaffle, you should be; [www.yaffle.ca](http://www.yaffle.ca). And it is highlighted by the president of the Social Sciences Humanities Research Council of Canada, Chad Gaffield, all the time in his presentations, as exactly the kind of engagement tool universities should be using throughout the country. And we're actually in discussions with the University of Alberta, now, and Edmonton, which is one of the top research intensive universities in the country. They want to adopt Yaffle, and it is from dictionary *Newfoundland English*, of course. It's a word that's developed at memorial - going back to picking up stacks of fish from the fish flakes. So we have a yaffle of expertise and research at Memorial available to help the province. And it is a bit like Google, so you can use it as a verb as well. And so you can go in to Yaffle and plug in alternative energy in and find out who at Memorial has research interest or expertise related to alternative energy. You can pull up lay summaries, summaries in laymen's terms, one page summary of current projects, and there are about 1600 lay

summaries in Yaffle now. It should be about 4,000 but we're building it as we go. And we now have systematic processes with the Office of Research and the School of Graduate Studies as new projects get launched that triggers a feed for our staff to follow up to get it in the Yaffle.

But unique in the world, we think, and I just came back from the UK last night at a national public engagement conference there. No one has anything like Yaffle, because you can also submit ideas through Yaffle for new projects and you can set anybody, within the university or outside, your areas of interest. And it will push e-mails out to you daily, weekly, monthly when any of your keywords are hit. And so for us in managing the demand that has grown with every month and year of the Harris Center, it is largely a triage tool because a lot of brokering and engagement is happening now without us even touching it, but we like to find out about it, and there is monitoring and evaluation elements, but there is also unintended benefits happening. We now know, for example, that when MUN is recruiting students from around the world, especially graduate students, they are using Yaffle to find potential supervisors which other universities don't have that ability onsite in China or wherever you are. So that's become a great way of feeding new ideas into the mix at the university for projects.

And then the Harris Center is a small team of about eight people. Our core support is from the university. We have some additional support from ACOA on the public policy side. We have ten years of funding from the Royal Bank of Canada under their Blue Water campaign. We have great partnership with Multi-Material Stewardship Board. We get some support from the provincial government. We have a partnership with the strategic partnership that Doug shares, et cetera. So there is a lot of moving parts and we're the broker that brings them together.

On the funding side, and I will come to it in a minute with a little more detail, but as I say, I have given you the hard copy, we, right from day one, when I did the job interview seven and a half years ago, we have applied research funds and it is not big money.

For seven years now, we've had 50,000 a year from the province, 50,000 a year from ACOA, for a total of 100,000 per year, peanuts. And we do a call for proposals for anybody within the university for applied research that would benefit Newfoundland and Labrador. And we get 20/25 proposals a year. There is a deadline. You got a month. You got an answer on your funding three weeks after the deadline which is unheard of in academic circles. You could do much projects by the time you hear back from the national funding councils.

But it's a maximum of 15,000 per project, but we have had evaluations done where that funding then leverages a lot more from the funding councils from other partners, and all of it benefits Newfoundland and Labrador. And we've had a full range of disciplines, from the education faculty, from engineering, from biology, you name it, and they are all listed that we have supported so far.

That initial fund, it is an umbrella approach, so it is not contract research. It is not an outside organization saying we want research done on X by such and such a time. And Memorial is

more than that happy to do that. You pay overheads and the research office manages it.

In this, there is an umbrella of thematic focus but then it is the academics or the students saying what they want to do within that area of focus. Research that would benefit Newfoundland and Labrador.

The RBC fund is research that is on rural and remote community drinking water. The MMSB fund is on solid waste management funding. Strategic Partnership is for students only on research that relates to the themes of the strategic partnership.

And it is like venture capital, one out of ten projects usually dies for some reason. One out of ten projects is a home-run, and changes the public policy or regional development agenda in this province. And then all the rest are somewhere in between, maybe very specific to a particular sector of interest or community. But it is making work happen that wouldn't have been happening otherwise, leveraging the interests and the independence of the university on really practical applied stuff, and it works like a charm, if I do say so myself.

But often you don't need money to make good stuff happen at the university. There is, well there is 800 plus faculty. There is 3,500 plus graduate students, people doing their masters and their PhD's with a whole lot of knowledge between their ears already, and often it is just getting people in the same room together, sharing information that can benefit the community, the business, public policy, you name it. But if you don't have a designated unit, like us, to manage those introductions a lot of opportunities get missed.

So, we've really, I think, developed a brand of awareness. I think every decision maker in the province now knows the Harris Center exists. I don't think the public, in general, knows it yet but that's Rebecca's job this year.

And then results, we get a whole lot of good stuff happen from all that. We do Memorial Presents, public policy forums on the big tickets that we think are really worth a public forum, advertised. We do four a year at our St. John's campus, one a year at our Grenfell campus, four a year on the road in conjunction with the regional workshops. And that's where someone, normally a faculty member from Memorial, presents for 25 minutes, a half an hour, then there is a panel, very carefully selected, so you have a balance of perspectives. And in this province, with our history, we haven't had a strong tradition of informed public debate without some fear of big government or big business or big church, and we really need to develop a culture of informed public debate to have a mature democracy. And if there is a sole critical underlying outcome that the Harris Center can contribute to in the long term, if I had to pick one, I think that would be it; a sense of democratic efficacy and responsibility in that we own this together. We don't look for someone to do it for us. And that percolates through everything we do but especially those Memorial Presents sessions. We webcast them live. Anybody anywhere can e-mail questions in live that evening to the panel. We archive them on our websites with a resource for anybody any time, and we now have a relationship with Rogers Cable and they are rebroadcasting a brunch of them. So mobilizing that

knowledge is the key.

We do, for other ones that are more less high profile maybe but of interest to a more focused group, we do our little lunchtime synergy sessions. We say we do one a month, often we do three or four a month, and we provide soup and bad sandwiches, and it's amazing who will show up to hear a presenter for 20/25 minutes and then a Q. and A. discussion for an hour. Unlike the Memorial Presents, they are off the record, no media, no minutes. With Mike Claire, our associate director of public policy always says they are like Vegas. What goes in Vegas, stays in Vegas. It's pretty boring Vegas but. And they get people in the room together who would never otherwise be in the room together: from industry, from government, from NGOs, from the university, from the college. And we've had numerous new networks, projects, opportunities come out of those sessions, as well as sharing the knowledge of the project itself.

Yaffle, of course, is an input to brokering ideas but with the lay summaries, it is also a place where you make the results of the work available. And anybody on planet earth can search it and find out. And it is not meant to be the library where there is an electronic document available, it will give you a hyperlink, but it at least gives you a synopsis of what's available for the nonacademic.

And then for the work that we do, that all the applied research funds that we manage have to give us a report. But we don't own the IP, we don't want the IP, we want it out there. We want them to publish, but they do owe us a report and they owe us a presentation if we ask for it. And they owe us a submission for Yaffle. And so we have numerous reports on our website. Some we print hard copies. Everything goes on the web site. Some are not as good so you kind of sneak them onto the website. But the transparency is there and all the work is there for people to draw on.

So there is a system, a process that we've developed with a range of programs and tools. None of this is rocket science, but I've presented in Australia, and whenever I travel they pay my way. We don't have big budget. In Bolivia, in the US, across Canada, the mechanics of how we've managed to link the university with the community is really where the magic is. I'm often say I'm not a scholar of knowledge mobilization, I'm a practitioner, and that very practical how-to approach has worked.

So I've given you, I think, 99 percent of what I want to say so I will skim through the slides really quickly now.

In honor of Dr. Leslie Harris, of course, who was president of the university, from rural Newfoundland. And, really, when he - he was alive when we were established and would meet with us a couple of times a year, come to our Christmas reception - he really embodied what our brand is all about: the integrity and independence of the university while making a practical application. And for anybody 40 and over, I guess, Leslie Harris's name immediately conferred that brand in this province.

So I've talked about all that already. Broker facilitator. We cut across teaching research and outreach but this emerging role of honest broker, often asked to moderate conferences, facilitate conferences. I've made moderated a bunch of election debates, Mike Claire has done the same. The university, when it's working with business, labor, community groups, governments can often be that honest broker that a society needs. In the UK conference I was just at, they talked about the power of convening. And again, with what I would suggest is our immature political culture, that's an incredibly important role. And a quickly maturing political culture but. We need more of these mechanisms, I would suggest.

So our strategic plan, and we've just developed a new five-year plan, relates to research, education. Engagement is the new word that the university is using, and the same as in the UK, Australia, US, how people in the university partner with people outside the university. And I'm now leading a new engagement framework being developed, reporting to the president, which is broader than the Harris Center, but the Harris Center will be one of the key players in the implementation. And so you're going to hear and see a lot more on engagement by the university, building the capacity of the university to do more of this stuff, and then, of course, internal operations.

Knowledge mobilization, it's a continuum. There are some of my colleagues across the country that think if a project doesn't come from the community, it's not quite as pure. I don't buy that. I think there are great projects that academics come up with, that they do without any engagement but then you communicate out and it is really valuable.

I also love when the community comes to us through Yaffle or regional workshops or other means, and says we'd like to work together on a project. And we try to get faculty staff/students together and make it happen. And the really sweet ones are when you do it together from the start, the co-production. But all that stuff takes time and energy and logistics and meetings and bad sandwiches, and if you don't have someone whose job it is to make that happen, it doesn't happen. And we really are seen by our colleagues across the country as a leader because Memorial, which has always had - in our mission statement it is very clear, in our legislation it is very clear - a special obligation to the people of the province.

So this isn't a nice add-on, and our president now speaks about three pillars to the university: teaching, research and engagement.

So I talked about the range of approaches and programs and some of the jargon that we have invented or adapted, and all of them contribute in various ways. My colleague Dave Vardy, former clerk of Executive Council and secretary to cabinet and president of the Marine Institute, he's an associate of the Harris Center and has been a great mentor for us. And he is, at times, said, Rob, if you keep chasing rabbits, you're not going to get any elephants because there was a vast amount of activity.

And we have worked with our advisory board on a couple of larger projects. We tried to get

one off the ground, related to population change in Newfoundland and Labrador. We had a model for that, that we did a lot of consulting; 50,000 a year for three years from funders. We talked to a couple of oil companies. One led us on for a year and then said, no, we're not interested. And of course labor market is a critical challenge for everybody but this would have been transparent public research. You wouldn't have owned it in-house. And so that elephant we never got off the ground.

My response usually is we're spreading contagion. We're unleashing the 800 faculty, the 3,500 graduate students. And if we can get half of them doing good projects all over Newfoundland and Labrador we'll change this province so that it has sustainable knowledge-based development forever; is my sermon anyway.

So just as a quick example - and I think you've probably heard enough on this and I will get to Q. and A. sooner rather than later - early on we had a request from the Exploits Valley Regional Economic Development Board. It was Dave Curran at the time, he passed away last year. He was the last director of MUN Extension, and he was working with the zone board by then. And the Federal Department of Fisheries and Oceans have a program around marine protected areas where you talk to the community and you talk to fishermen. Imagine that, you talk to the people in the industry, and you figure out ways not to cut off exploitation in that region but to manage it more effectively. And so they were looking at the Leading Tickles area down around Botwood and Dave said any chance of getting some grad students to work on that. I don't know, b'y, what's a marine protected area? So I got him to do a little one-page synopsis because that was pre-Yaffle and I circulated it around the university. And Dick Heydrick, in biology, that done loads of engagement work over the years saw it, and he said, yeah, I've had students do work on marine protected areas. Got any money? And I talked to the money in DFO and she said, yeah, I got a research budget. We could probably fund three students a year. And we have a masters in environmental science that has a one-year turnaround, they got to get a project, get it done, it needs to be applied. So that year we got three projects approved and the nice things with students is you fund the student you get the faculty by default. So often faculty are too busy publishing and teaching. Soon as they have their students involved you have them, which I don't tell them openly but it works.

So there were three projects on capelin, lobster, herring that year, and DFO came back to us and said this worked really good. Could we get an ongoing relationship on this and figure out things around overheads and IP? And we brokered a meeting where we had people from finance and admin at DFO get together with people from MUN in finance and admin and research office who had fought with each other for years by e-mail over IP and the contract research, et cetera, never been in room together. So we used the flip charts and talked about why do you have the regulations and rules you have, worked out on agreement, and then for the three years we had 100,000 a year for more projects.

So you had students getting money for their studies that they need. You had expertise from Memorial connecting with the needs of DFO, all of it based in rural Newfoundland. Win, win, win, win, win. And that's just a one example of a hundred I could give you like that. And all of

them take time and energy, but there is loads of opportunities to do a lot more of that. Name your field, name your region, and we've got lots of lists, and I think some of them are in that handout I gave you of some projects that are research-oriented, somewhere it's just someone with knowledge going out and talking to the community and sharing that knowledge, et cetera. Some of it very practical.

I love the one with the Labrador fishermen's union shrimp company wanted to see if bacon wrapped scallops was a feasible product for them because they were strapped for cash. And we got three MBA students in the business school organized at the time by the Center for International Business Studies and they did a feasibility study in lieu of a course with a faculty member overseeing it. Again, you got the faculty member through the back door. They did a beautiful project and said it wasn't feasible. And the shrimp company was delighted. It saved them two years of frigging around, trying to get money together on a product that wasn't going to work. And it was done in six months.

So we're really connecting the marketplace of demand and supply for knowledge through the various means I've talked about.

Yaffle is taking off, lots of activity, and we are now working on a proposal to extend it to include expertise not just from within Memorial but from community organizations, industry associations, government, because there may be lots of people who know about alternative energy who don't happen to be at Memorial. So it will become a Newfoundland and Labrador knowledge mobilization network tool. College of North Atlantic, key partner. So that's an obvious extension. And if the partner with the U of A happens, that's another example of extending across. So you could plug alternative energy, find out what's going on at MUN. Click here to see what our partners are doing. Bang, you've got the 400 million in research funds annually that the U of A is turning through, et cetera.

So I've mentioned the various research funds we've had. It's all listed in the report there I gave you. There is 86 research projects to date; 1.7 million allocated. Small money - peanuts - but it leverages one hell of a lot of practical activity that leverages additional money.

We did an evaluation, it is on our website. After, I think, four years of the Applied Research fund, and we did detailed interviews with people at MUN who had received 313,000, and from them they could track 5.4 million additional in real money that the 313,000 leveraged. And that's all in that report.

And there are research topics from disciplines and science engineering, arts, you name it.

And back to the end diagram that we think brings it all together. I think that's everything I wanted to say. Delighted to talk about the Harris Center 'til you're all ready to go home. Is that what you thought I was going to present on, hopefully?

**COMMISSIONER (Miller Ayre):** No. I got a story about Dr. Harris for you. I was talking to him

on one occasion about occasionally that he .... I told him about a story in which when I was chair of the Canadian Chamber of Commerce I got a call to go to some very small chamber, which normally wouldn't have been something. Anyway, I made the big decision to go and put the speech together with all sorts of fussing about, and cost me about three days to get there. When I got there, no one showed up when I showed up, and I finally fought my way to a hotel and eventually found where they were having the lunch and so on. I went in and nothing but much happening until they said it was time for the speaker, and I got up and made my speech and they said more or less said thank you, but that was the end of it.

So he said, well, I've gone through something far worse than that, he said. I got a request from a very small school, a community somewhere around, and he said, well, I think I'll go now. I'm the vice-president of the university. This will be a big deal. So he made up the big speech. Drove about three hours to get where he had to go, and couldn't find the school, which he was told he couldn't miss, and finally found it and went in, and wasn't a sign of a soul anywhere. Found the janitor and discovered that they hold their meetings somewhere else. Not actually at the school, it is somewhere else. He showed him where to go. He was very late by this point and he got in. Just as he squeezed in the back of what was kind of like a gymnasium room, he heard the moderator say, "Is there a fella Harris in the room?" So he got up and he gave his big long speech. No one said thank you. No one said anything. He sat down and the guy came up to the mic and said we'll now have, would Mrs. Roberta Jones please give the treasurer's report. And that was it. (Laughter).

So there he was the big all mighty vice-president disappearing out the door, having made all this big effort. So he was quite a character, of course, as you know, and it would have been something. He would have made up his mind to go and speak to a school that made a special request and so on. Maybe he didn't do it more than once, but he did that time.

The Harris Center co-chaired a conference with Women in Oil and Gas, is that correct? You did recently. So where in this program would you have been led to do that? What would have ....

**ROB GREENWOOD:** Well, I think, in fact Mark Shrimpton, who has been a longtime colleague and was an adjunct professor in geography at Memorial, and has worked, obviously, with the oil companies a lot, and tries to keep my feet to the fire to make sure the Harris Center knows it's connecting with the oil industry, and, of course, I'm getting that from every direction possible; the aquaculture manufacturing, you name it. And so at that time we pulled together in the normal way, a few stakeholders from the industry and Mike Claire from my operation, the associate director of public policy, was our lead on it with Mark and a steering committee, and you start to review is this worth doing.

One of the challenges for us constantly, and conferences are probably the worth example, is you can lose your shirt on a conference. And so we had to ... and we are pretty direct folks, as you can probably tell, and we had to get pretty clear commitments from the companies that they were willing to come to the table with some funding. Not for us to make money, we're not in the business of making money, but to cover the costs, but they did. And in fact in the

end there was a surplus and the committee got together and talked about how best to use that surplus consistent with the interests of the conference.

And it was ... I have a great job. I put together these things. Do very little work. So Mike and the committee did an amazing job, here in this hotel, I think it was, and from all accounts it was a great success. I attended as well.

**COMMISSIONER (Miller Ayre):** So it is not just a question of bringing academic people together. You're available to help out in developing any collaborative effort and solving any business problem and so on? Well, I was thinking of the bacon-wrapped scallops.

**ROB GREENWOOD:** Right. Whenever there is anyone from Memorial - faculty, staff or student - involved in the solution that's an easy sell. That's my job. So we made sure in the Women in Oil and Gas Conference that there was people from Memorial, not just on the steering committee but also presented. We had a fantastic presentation by a bunch of young women engineers, I think it was. I thought they stole the show.

We will, though, at times play a role as the convener, moderator of events that don't have other Memorial people involved, and we will normally charge a fee for that, that goes to the Harris Center. It is partly a nuisance fee. But there is a strategic fit with a key partner, there is good reason to do it.

**COMMISSIONER (Miller Ayre):** Geoff, when we talked about earlier about whether there was a potential expansion of some of the ideas about where the research might be applied and research dollars might go, especially in terms of socio-economic issues and some social studies and so on, but in the case, if I remember the guidelines on this, that there are applied research activities that can certainly qualify, right.

So in a case like Geoff had, or sorry, in a case like Rob had.

**GEOFF PARKER:** Yes. I think this provides a bit of a foundation to be able to look at broader ideas and see if we can get a connection there, even beyond our sort of traditional focus areas of safety, health, environment, ocean technology, harsh environments. This may allow us to tap into some broader areas. Yes.

**COMMISSIONER (Miller Ayre):** Yes. Rob, the other things I have to say I learned here today is to make sure that I recognize staff is more important than faculty, if I'm at the university. That's an obvious one.

**ROB GREENWOOD:** I wouldn't overemphasize that.

**COMMISSIONER (Miller Ayre):** But more important for this group, I noticed that you didn't fall into the trap of talking about levels of government and, therefore, offend two groups but by

referring to them as orders of government you can escape that which is a good point for all of us to remember.

**ROB GREENWOOD:** I can thank Doug House for mentoring with many minutes over the years.

**COMMISSIONER (Miller Ayre):** Doug drilled you on that.

**ROB GREENWOOD:** Oh, yes, yes.

**COMMISSIONER (Miller Ayre):** Well, we've borrowed him for our advisory board too, so. I don't know if he told me that I would certainly get the message before the report is written, I think. Well, I don't have anymore questions at this point. I think the concept behind the Harris Center is good and it certainly has expanded its involvement in Newfoundland under your guidance. And so I congratulate you on the traction you've got there right now. It seems quite exciting.

**ROB GREENWOOD:** Thank you very much.

**COMMISSIONER (Miller Ayre):** Thank you.

**ROB GREENWOOD:** And good luck with your efforts, and if you have any further questions we're always there to help.

**COMMISSIONER (Miller Ayre):** Okay, thank you. We'll just connect through Yaffle.

**ROB GREENWOOD:** Right on. Thanks.

**COMMISSIONER (Miller Ayre):** Thank you. We have had on occasion people who wish to make a presentation at the end of the day, and we have a little bit of time now and so we've informed ... we were requested by Mr. Gaulton who wants to make a presentation on a human resources issue. So if I can call on Bill to come up.

**BILL GAULTON:** Thank you, Mr. Ayre, for the opportunity to present here today. My name is Bill Gaulton. And I just want to tell you about my motivation to speak here and asked to speak here today. And I've been involved for quite a few years for some of you who may know me, but my motivation was the full page ads in the St. John's *Evening Telegram* looking for skilled trades and human resources for the Vale site in Long Harbor.

And I felt sad and angry, both at the same time, looking at supposedly we had a lot lead time to do a major resource development project here in Newfoundland and Labrador, and here we were halfway into the construction schedule and we were looking for hundreds and hundreds of skilled trades people. I felt ashamed. I hung my head in shame that as a Newfoundlander and Labradorian that we allowed this to happen. I think the Economic Council of Canada called it a cruel paradox in which you have thousands and thousands of workers who are

unable to get jobs or advance in their apprenticeships who are stalled, and women and men who have been lulled into thinking that it's our resource developments, the Vale Inco Project or the Vale, and the Hebron Project and Churchill Falls, the Muskrat Falls are going to be the solutions to them working and they believe the governments - federal and provincial - as well as industry, that you go and get a trade. Women, there is lots of opportunity for you in the skilled trades. You go and get some kind of program and there is jobs for you.

And the Economic Council of Canada loomed large in my motivation when they said there is thousands and thousands of people here who are not able to find employment. And, of course, I thought about that and just a few days ago I asked to present here and I tried to come up with a concept that was a bit different than the normal presenters, and I called it "Acres of Diamonds" - A Human Resource Concept.

The Acres of Diamonds concept is a story of a hundred years ago, a series of lectures that Dr. Russell Conwell did in the United States, and which he went to talk about things that are happening where he lived. Wanda, if you could go back to my .... I feel before I give you the some of the solutions which I think will be helpful to the Commission and to ExxonMobil that I need to tell you a little bit about myself, because I think it is important for you to know where I'm coming from, and, of course, the whole concept that I'm advocating here.

I have had 52 years of background in the construction industry, in human resources, and in the skilled trades. And some of the things I have done, I was an indentured, I think we called it then, apprentice in 1959. So that's 52 years ago. And I worked through, as you can see, I became an interprovincial red seal journey person in the electrical trade, and they talk about the dash. If you're familiar with the dash, it's a concept of a dash between the year you were born and the year you pass on. So I'm telling you about the dash between the year I was born in 1942. I'm hoping the dash will be a lot longer than 2011. But, so as you can see, in every aspect of the skilled trades, I have lived it. I have lived every aspect of it - the good, the bad, the ugly - and I got my hands dirty and the rest of it, and I learned to be a good journey person there.

I have been a contractor with 50 employees out in the field, competitive field. I have been an instructor at the old College of Trades and Technology. I was the first provincial supervisor of training for resource development for the Department of Education in the early eighties, when we didn't even know if we were going to develop an oil field but we were developing the possibilities. And of course, I learned a lot from that particular position.

I was managing coordinator for the start-up of the Hibernia project. So I was the person who had to coordinate activities with all 16 labor unions that you're experiencing now, and some of their leaders are here today, still in their positions; and also with one of the largest companies in the world, your company there, the top managers and engineers and designers, and also practically every politician who was looking for a job for their constituents. And I had to deal with all these activities as the managing coordinator for training for the start-up of the Hibernia Project. And I stand before each of you here as hard evidence that you can facilitate

and coordinate activities with 16 international unions, the top management of the industry, and the contractors, and be here in 20 years later to let you know that you can survive in that jungle. So I'm hard evidence that 20 years later you can still be here.

But the other thing I learned greatly as a person, and I attribute it to Keith Spicer, who was the former chairperson of the Radio Television Commission, and Keith Spicer talked about all the challenges he had to deal with and all the groups, being chairperson of the CRTC, and that was dealing with the human dynamics of the situation. He said he learned to grow a skin that it took ten knives in his back to know there was one there, and that's the way it is for people like me who had to coordinate and facilitate activities with such a diverse group.

So, now I was also on the first board, the province's, the forerunner to the Newfoundland-Canada Offshore Petroleum Board. I was a member of the first one in the province, and as a personal footnote I will tell you I was one of the first two Newfoundlanders who was aboard the Glomar Atlantic two days after she struck Hibernia. So I am among the very first Newfoundlander at the time, Newfoundlander and Labradorian who was part of. So I've been involved with the oil patch for a long time.

I want to tell you, go further on the concepts, the Acres of Diamonds concept, the human resource concept. The story, the gist of the story is important so you'll know how I'm going to tie this into the Hebron Project and the benefits and the human resources required.

This was the book that was written and it talked about an individual who was dissatisfied with where he lived or what he had, and he traveled all over the world looking for riches and looking for diamonds. And the firm that he had sold was bought by another person, and while working the land he found a number of rocks on the land. And he liked some of the rocks that he saw, the rough rocks, and he put some on his mantelpiece. And this day a mining engineer was over for a drink, and he said, "Where did you get those rocks?" And the guy said, "Well, I was digging up my land and clearing my land. There is lots of structures like that here on my land." He said, "Do you know what you have found?" He said, "No." He said, "You got diamonds in the rough." They don't look like diamonds. They have to be polished and honed, and loved, and take people who know what they're doing to shape them and mold them into the diamond, but that's what a diamond in a rough looks like. And therefore, then, I apply that to this province because in this province we have thousands of human resources in the rough. All over this province we have thousands and thousands of people who have listened to the government's ads and big industry ads, and everybody else ads, get your skilled trade, get your skilled trade, or women, in particular, don't be unafraid to enter the fray and get it.

And we have failed them by those one page ads in the paper, in the newspapers. We have failed all of those beautiful human resource diamonds in the rough in our province. Now what do diamonds, human resource diamonds in the rough look like? What do they look like? Because right here, right now, just like that farm, right in the bottom of where we walk and where we go around is every person we need to build the Hebron Project.

And if we're talking about benefits, and there are many benefits from the Hebron. There is business and there is taxes and there is royalties and there is partnership agreements. But there was no greater legacy that can come from any resource development for the typical Newfoundlander, the average Newfoundlander and Labradorian but jobs. What they want are jobs. We failed them for the Vale Project. We must not fail them as part of the benefits package to ensure that our people get those jobs.

Now what do they look like? Sherry, could you stand. I want you to look at in front of you a Newfoundlander and Labradorian who's a diamond in the rough. She listened to the government and industry ads. She went and took training, paid half a fortune to learn her skills in it but couldn't find a job in her occupation.

And we hear about the public and private learning providers bragging, actually, about the numbers of people they trained and they are lucky to get 10 or 20 percent of them that actually find jobs in our province. They have turned the training into profit centers. They are more concerned about building shops and bragging about the number of people they train, instead of looking at what has happened to the thousands of trainees. They are a victim of their own success by advertising the skilled trades.

So Sherry, you're heavy equipment? Yes. And she was unable to advance further in her heavy equipment, and like a lot of people who'd received training, they've moved on to some other occupation. They are frustrated because of the system. They couldn't get jobs in Vale, they were counting on it, and here we are now, we have enough lead time. Thank you very much, Sherry.

I have another, I got to get my one and a halfers. I have here Daniel Wells. Stand up Daniel. There is another Newfoundlander and Labradorian who's a diamond in the rough. She was trained as a welder, right. She was encouraged with the programs put on by industry, the federal and provincial governments. Come on all you women, come and take our courses. You'll be employed in our resource developments, especially the megaprojects like Vale. So she's trained as a welder. What are you doing presently, Sherry [*sic, recte* Danielle]?

**Danielle Wells:** I work at the St. Patrick's Mercy Home.

**BILL GAULTON:** St. Patrick's Mercy Home. At least she's employed. But she gave a great part of her life to receive that training. So now thank you very much, Sherry [*sic, recte* Danielle].

Now, there is thousands of Newfoundlanders and Labradorians all over this province and they are diamonds in the rough. They all got a year or two of training. They are stalled apprentices who can't move forward in their trade. They can get as far as second year or third year. They can't be journey personed, unable to get employment here.

And what is our solution that I hear being given publicly for the Vale Project? I'm ashamed and I hang my head in shame when I hears it, that we'll bring people home from Alberta. Going to

encourage Newfoundlanders and Labradorians to come home from Alberta to fill those jobs and right beneath our feet we have thousands and thousands of people who have partial training that we need to bring through journey person status.

And what's another solution? Immigration. And I'm saying is there anyone out there going to speak for our people, who's unafraid publicly to go into a public domain and speak up? All I hear at this inquiry is people who want to do this or that. What about the thousands of Newfoundlanders out there now that need your help, Commissioner and ExxonMobil? That needs you under the benefits package to help these thousands of people to advance forward and it can be done. It can be done. That's what the average Newfoundlander and Labradorian wants, maximum employment opportunities.

So I have a couple of ideas to share with you that I think will be helpful. And I have advocated some of these ideas for the last couple of years. And of course what you hear is excuses for this, excuses for that. It is a federal responsibility. It is this or that. And the other thing that I did mention, a solution that's given for projects here is travelers. Otherwise, the unions will use people on travelers and find them in other parts of Canada or the states to come here.

I am proposing something called "SETI", S-E-T-I, which is a skilled experience training and initiative, and this is an actual plan to do things. You actually do things. And what that means, exactly, a SETI, as you can see, it is a solution-driven initiative whereby you will use an exhilarated training plan.

So quite simply, Commissioner, I'm going to wind up my presentation with a few notes on this. We do a profile of our workforce. Once we have that done, we look at stalled apprentices, and we will replicate the actual skills needed for the Hebron Project except in an institution shop setting. Otherwise, if I'm an electrical apprentice and I only got as far as my second year, come back in to a shop setting and the skills that you can't get through employment opportunities presently, we will give you in-house. And our private and learning providers, instead of training hundreds and hundreds of people for which there is no jobs, now it can reverse their delivery systems, they can call it anything they want, we call it SETI. So what we want to .... So if a second-year apprentice needs to be journeyed, then bring them in, bring them to school, could be six months, eight months or 12 months and teach the skills needed to be journeyed.

Now I know there is many challenges. It is not going to be an easy task because that type of training, the per diem is going to be quite high compared to other types of training. Apprenticeship training is reasonable. You can deliver apprenticeship programs normally for a smaller cost, but to do something like SETI because there is consumables. You'd need a low instructor to student ratio, you need more facilities, you need more technology, but the whole idea is to find a way that you can accelerate their skills so when the proponent and contractors on Hebron don't have to place ads in the newspapers to get people. They are already ready. And I think one of the vehicles in order to make that happen for the Hebron Project is exactly what's happening here. That recommendations will come from here to help ExxonMobil and other partners and stakeholders in that project look seriously supporting, financially and

otherwise, to get training involved in that regard. That's very important.

Now the other thing I will say to each of you here, that that type of training is going to be important for Nalcor because they got a major project on the horizon, and any funds put into this sort of initiative should not be borne, should not be borne by the proponent of Hebron. That Nalcor has to be talked into chipping in too, because if we're going to talk about this type of training as a partial solution, and you can call it, it doesn't have to be called SETI, you can call it whatever you want, just do it. Just do it. And each sector, and I'm recommending to this group here that a recommendation from the Hebron Public Review Commission, that the biggest benefit they can give is employment, that through the resources that are there through the Atlantic Accord and through benefits of the Hebron Project, that a lot of that money be spent to do four to six pilot initiatives. Four to six skilled trades that are in the same category who is doubtful right now who will be able to supply the human resources required to build that project. That they finance four to six learning providers and partners and stakeholders be given enough resources to at least try a SETI type of initiative. Because we cannot, what is it they say - *To know and not to do, is not to know*. Isn't that correct?

If we know that we can do something about improving the human resources for the Hebron Project of getting local participation, because are we just people who talk about adjacency and diversity and local employment? We must do something about it. And somebody needs to keep her going, so to speak. And I'm at the tail end of my career and my life. I will be 70 years old next year, and I'm good for another 35 years, I think. I want to hang out long enough for 2041 to see us with the capability of shutting off the upper Churchill. I told my wife to keep me on life support till that happens. Put me in one of these frozen tanks somewhere but revive me when we have the opportunity to press that button. Right. It is important to me as a person.

But I am here, and I will close off by saying this: It is not many people will come forward as one person because I'm not connected to any group that has presented. I am old man, you could call me, getting on the tail end of my life, and I feel if by being here that we get our human resources into a viable situation or people thinking about it, that this is my mission, my meaning and purpose for being here.

So as I clue up for questions I will leave with you an expression that's attributed to Helen Keller. And she said at one time, *"I am one, I am only one. I cannot do everything, but still I can do something; and I will not refuse to do the something that I can."*

Thank you. I will take any questions. And as you can see, I'm passionate and committed about the opportunity here.

**COMMISSIONER (Miller Ayre):** I was going to say that because you are. And obviously, I mean, you've saw the ad in the paper and you recognized the issue and obviously you've put a lot of thought into the process, a sensible attempt to find a way to meet needs that were required and at the same time recognize that there are resources available locally who may

not have even completed their training. I mean, you got people who have but can't get the right kind of jobs, and you've got people who are, as you understand it, the apprenticeship program, halfway through the apprenticeship program or need bolstering. And what you're saying is that to get people to a certain level at this stage we really need to provide specialized training even though I gather, as you say, it may be more expensive or whatever. Is that it?

**BILL GAULTON:** Commissioner, look, it is said the only thing more expensive than education is ignorance. Isn't that a fact, folks? The only thing more expensive than education is ignorance, and if we know something that has to be done and money spent on it, let's do it. Let's move forward together. Get everyone in the same boat, pulling on the oars together, all stakeholders with the Hebron Project and it can be done. It can be done. ExxoMobil your job there, your project should be able to be completed on time, on schedule, on budget by Newfoundlanders and Labradorians. We proved it with the Hibernia Project in many ways and we had to do creative types of solution at this time to get certain things done that was never done anywhere in the world before. But all we needed was the proponents to say here's our schedule. Here's how many we need of each trade. And we do a profile of our workforce and we got years to start training people.

And let's get serious about advancing women. Let's get serious about it. I've been at it 20 years promoting women in business and politics and in the skilled trades. And I know it's tough. I know it's tough because a lot of it is a cultural thing. See, it's not sexy here talking about the skilled trades. Like, you had the Harris Center here. People talk about a lot of the hiring practices of large corporations. People like me don't fit their profile. You're old and you're worn out and the rest of it. They don't consider our experience. If you don't have an iron ring and you're an engineer, we don't want you on our management team. Or if you got no hire issue, you want young men and women who are in their 30s with at least a masters degree. That's your profile. Well, all of Newfoundland and Labrador, there is lots of experienced people like me who dedicated their whole life, who are often overlooked, and what you need is a good block of common sense on your management teams for these projects; men and women who've been through all the wars. I don't mean to be lecturing you on this but I'm excited. I'm excited about this.

**COMMISSIONER (Miller Ayre):** You are indeed. Geoff, it may have taken us a while but we finally got someone speaking out as an individual with a high level of passion and is typical of many of the conversations and thoughts and activities that would be going on around in homes and so on around the community over projects like this, especially under the pressure we're under.

So, Bill, thank you very much for coming and thank you for your ideas, and we'll certainly have a close look. And I think it's been a very valuable asset to us to encounter what is the true Newfoundlander in full flight.

**BILL GAULTON:** Thank you.

**COMMISSIONER (Miller Ayre):** Bill and I have worked on many political campaigns over the years together. There is lots of stories about the work, diligent work that Bill has done in the trenches of many political campaigns in this province - leadership conventions. And I don't know if you're always dedicated to one party or whether you were available.

**BILL GAULTON:** No, since the liberals kicked me out of their party in 1969 because I supported John Crosbie against Joey Smallwood, and I was ostracized and they kicked me out of there. So I was over with the ....

**COMMISSIONER (Miller Ayre):** Well you're a brave man.

**BILL GAULTON:** Yes. So I was over with Frank Morris before Crosbie arrived.

**COMMISSIONER (Miller Ayre):** Okay.

**BILL GAULTON:** Right. I was over there and got a bit of sense.

**COMMISSIONER (Miller Ayre):** Good for you.

**BILL GAULTON:** But in any event, there's lots of opportunity here in this province and we need you to do this for us, ExxonMobil and the Commission. We have the people and we know how to train them. The labor schools which came out of the Hibernia project, many of the labor organizations with schools, the Carpenters Millwright College a great provider. You got the metal workers, the iron workers who had to train 600 to 800 people for the Hibernia Project, and the first organization that ever had a class of all women in iron work was for the Hibernia Project.

The Operating Engineers bid on the contract to supply the training for the tower cranes. We had to put up .... There was nine tower cranes in the Hibernia Project of which we only had two tower crane operators in the province. They said we will have to go all across the country and get those people. The International Union of Operating Engineers, and they don't know I'm going to say this, but what, they said no way, and they bid against the public learning provider at the time West Viking College for the bid on the training for the Hibernia Project. The answer for West Viking College was to train people on a simulator. On a simulator that only worked half the time because they paid \$1.2 million for it. And wanted us and the Hibernia Project to give them the heads-up on the training.

The Operating Engineers submitted a proposal and said we're going to train people on exactly the same tower crane that's on the Hibernia Project. On the exact one. And we looked across the world. We never had instructors for here, so we sent six people from here in Newfoundland and Labrador and we trained them in Kingston, Ontario in the tower crane school up there. And we looked across the world and we found in Hawaii exactly the same crane that was going to be used on the Hibernia Project. We shipped it to New Brunswick, I'm sorry, New Jersey and had it overhauled. Then we had a fleet of nine tractor trailers, flat beds,

took that tower crane up to Holyrood, Newfoundland, and while that was being refitted and transported, we put in the big bed to hold that tower crane, the three phase power, the big concrete bed, we put it in places to train people. Do you know those 64 jobs, I think we had 55/56 Newfoundlanders and Labradorians, men and women, who, if we never took the initiative or listened to the people who supposedly knew something about training, and the thing was going 24 hours a day.

Do you know that we never had one person who understood scaffolding in Newfoundland till that project. On a GBS you had to have hundreds and hundreds of scaffolders because we thought scaffolders where you stick one section on top of the other and that was it. So what happened, the carpenters millwrights group, they said, no, we can do that here. And we did a joint venture with the West Viking College in Clarenville, and what we did was find a master scaffolder in Scotland. We searched the world and we found a master scaffolder in Scotland. We brought him over and we trained seven Newfoundlanders and Labradorians in the Clarenville postsecondary institute to train scaffolding. And we trained four to six hundred scaffolders that they were going to look across the world for.

So this was the type of initiatives that we took on the Hibernia Project to ensure local employment. We did what we had to do. Now not everyone was with us. I still got knives in my back because I didn't do what certain people wanted me to do. I said no, we have to do this for the owner, the most important people. Who's putting the billions of dollars in this project? The owners. And it is important that we have quality people on time to deliver that project when it's supposed to be delivered - on time and on budget. And of course what is it Newfoundlanders and Labradorians want? Interesting, challenging work that pays well. So it's a win/win situation. Thanks again.

**COMMISSIONER (Miller Ayre):** Okay. Thanks, Bill. Closed for business, as they say.

**-END OF DAY 9-**