

Hebron Public Review Commission  
Hebron Development Application

**Record of Proceedings**

Public Review Sessions, Day 4:  
General Session

24 November 2011

Marystown Hotel and Convention Center  
Marystown, 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: David McCurdy

# **Public Sessions, Day 4**

## **General Session**

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## COMMISSIONER'S OPENING REMARKS

**COMMISSIONER (Miller Ayre):** Good afternoon, everybody. My name is Miller Ayre, and on June the 24th I was appointed as the Commissioner of the Hebron Public Review. And by way of introduction, I have a business background in publishing and retailing, and I have visited this town and city on numerous occasions, since we had a store here for many years. Among other things, I have been the Canadian Chamber of Commerce and a member of the Institute for Research and Public Policy, and then, currently, Vice-Chair of the Canadian Forces Liaison Council.

We are pleased to be in Clarenville to conclude our first week of Hebron Public Review Sessions. Clarenville is the hub of the economic activity with many new initiatives, but with this growth also comes certain challenges and I believe we'll be hearing about some of those today. I would like to thank all of the scheduled presenters for their interest in the project and I look forward to hearing from them.

One of the key things, of course, is that we will have presentations by the Town of Sunnyside and others concerned with the Isthmus area, and, as consequence, we get to know all the communities who are affected; some of them more directly than Clarenville.

### Process

I would like to take some time now to discuss the Public Review Process which we followed so far. First of all, the areas that we are considering include the following: human safety and environmental protection incorporated in 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, and 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 the Canada-Newfoundland and Labrador Benefits Plan, and a consideration of matters within the Development Plan Guidelines and Benefit Plan Guidelines.

Those are the areas that we specifically have to look at. There are areas with regard to resource allocations between the federal and the provincial governments on resources and jurisdiction, those areas are not within our study area.

Following the C-NLOPB's final acceptance of ExxonMobil's application, including the Benefits Plan and the Development Application the material was forwarded to me on August the 25th. I have six months to complete my final report following that date. Today we are continuing the process and we have followed all the legal procedural requirements leading up to the beginning of our public hearings on November 21st, and, so, here we are today in this room.

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The Public Review Sessions are designed to hear directly what you're interested in concerning the project and for you to interact with ExxonMobil. The sessions also give ExxonMobil the opportunity to explain the project to the public. Individual and groups will present their views at the sessions as scheduled and all answers will be directed, questions will be directed through me as the Commissioner.

### **Overview**

To give you an overview of today's routine: After my remarks on Procedures and Process, ExxonMobil will then give a presentation of their project, and there will be an opportunity after the presentation for outstanding questions arising from the previous day's session. When we have heard the scheduled presenters of the first part, we will move to the presentations from those who are joining the session today. They normally take 15 minutes but many of our speakers have looked for extra time, and, where possible, we have granted it.

Each of these presentations will be followed by a question-and-answer period. I would ask people to try their very best to stick to the scheduled times. And in that regard we do have a three-light system working: green to speak; yellow, a warning light with five minutes to go, and a red flashing light to let you know to conclude your remarks.

If there are people in the room who want to ask questions following the scheduled presenters, they should register with Shannon who's sitting right here waving her hand about, and she will put you on the list, and we can deal with that at the end of the scheduled events.

I've asked the media on a number of occasions to following a set of rules with regard to the cameras and with regard to areas of location in the room, and I trust they will stick to those and make sure they don't interrupt or inhibit people who aren't used to the public presentation process.

We also have transcripts of each of the sessions and an unofficial transcript will be posted within 72 hours of each session, so that we have them on the internet on our website available for all to see. Those are unofficial. We will, at some later date, make any corrections with regards to who was speaking or some actual factual misunderstandings that occurred for the translator. My expectations is the sessions will be respectful and informative, leading to good dialogue from all parties.

I would like to introduce my team to you. On my immediate right is our Project Manager, Ed Foran, who is also the Official Clerk for these proceedings, and Shannon, I already mentioned, who's our Communications Manager, and she is available for receipt of information from all the presenters, and, of course, coordinating these events.

In terms of safety, we always have a brief safety moment. And there are two exits. Well,

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they are so close together they look like they're one but there's two. I don't know what's behind those doors.

**GEOFF PARKER:** They're the same.

**COMMISSIONER (Miller Ayre):** They go straight into the corridor, and, of course, we are located so that is there ... are they exits?

**SHANNON LEWIS-SIMPSON:** No.

**COMMISSIONER (Miller Ayre):** Okay. All right. I just didn't see an exit sign there. So, anyway, you can go through that door, too, if you like down there. All right. So, now you know how to get out of here. And if you want to do it in the middle of a speech of some kind, do it quietly, do it quickly and with a slight look of panic on your face and we'll see what happens. (Laughter all around).

So I'll now call upon Geoff Parker to give the presentations. Mobil has had a presentation at each session. Just so you all understand, it is the same presentation so that we make sure we've covered the same material for each of our locations and for each day's sessions.  
Proponent Presentation

## **PROPONENT'S PRESENTATION**

**GEOFF PARKER:** Thank you, Commissioner, and good afternoon. Always great to be back in Clarenville which is really such an integral part of the history of the oil industry of Newfoundland and Labrador. 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 will 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 Hebron Significant Discovery Area. We will outline the 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 will also cover the tremendous benefits the Hebron Project represents to the people of the province and the entire country, and we will explain how the project will meet the requirements of the Benefits Plan.

But before we get into all that, I would like to give you a little background on myself and my colleague joining me at the table, Dave McCurdy. I'm Geoff Parker, and I'm the Senior Project Manager of the Hebron Project, and the Vice-President of ExxonMobil Canada Limited.

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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 base structure projects in Australia, Western Europe and Russia. Most recently, I was project manager of the Arkutun Dagi offshore platform in Russia, where I managed the project from early concept through the substantial completion of construction.

Dave McCurdy is the Hebron Project's Technical Manager. He's a mechanical engineer who has spent nearly 30 years working in the International Oil and Gas Industry with ExxonMobil. Dave has lived and worked in the United States, Canada and Italy. He's been with the Hebron Project since early 2009, and in that time he's been around the province with the Hebron team and has heard directly from many of the people who will be participating in the Review Sessions today and over the next few weeks.

A lot of work has been undertaken and substantial progress has been 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-ventures listed on the slide. They are: Chevron, Suncor, Statoil and Nalcor, and we are 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 interaction 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 through 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, post-secondary institutions, municipalities, the provincial and federal government officials, the Offshore Petroleum Board, as well as local organizations and other interested parties during the extensive public consultation that 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 am here 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, and 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 scale resource.

### **Summary of Development Plan**

We like to frame our commitments in terms of the overall mission of successfully delivering the Hebron Platform, and while at the same time, achieving world class levels of safety, security, health and environmental performance, providing substantial benefits to Newfoundland and Labrador, and building and strengthening relationships with the Newfoundland and Labrador community, and then ultimately creating an offshore platform that will operate safely and reliably.

The Hebron Development Application consists of two primary documents: the Development Plan and the Benefits Plan. And then several supporting documents which include: the Concept Safety Analysis, the Socio-Economic Impact Statement, the Comprehensive Study Report and the Development Application Summary. All of those documents are available on the Board's website that you can see there. If you don't want to read all the detailed documents, I'd recommend the Development Application Summary.

Safety is really a core value for ExxonMobil and its co-venturers. It is very important to us that everybody who works on this project gets to go home at the end of the day in the same healthy condition that they were in at the beginning of the day. We've already started programs towards that aim of nobody gets hurt on the project. Those programs will

commence during the engineering phase already, the construction that we've already started, and then move on into the operations phase.

As an example of some of the initiatives we've already undertaken, we've been holding safety forums in the province over the last several years and inviting contractors from all over the region to come to those forums where we can share tools, learn about experiences, some of the challenges related to safety working in the province, and there's been some really good interaction between ourselves bringing experience from all around the world and the local contractors bringing their experiences from their particular regions.

An example of the tools that we've been sharing and using successfully on several construction sites around the world is a tool we call approaching others. And I'm going to embarrass Shannon now with an approaching others story. We were in Marystown yesterday, and our plan was to travel from Marystown to Clarendville this morning. And so I'm from Australia and, so, not too familiar with snow. We said, ah, that's all right, we'll just travel up in the morning. And Shannon, very politely, approached us and explained the hazards of the snowstorm that was going to be coming this morning, and having listened to this in some of the local advice we decided to travel from Marystown to Clarendville last night rather than this morning. So I would like to recognize Shannon for taking the initiative and approaching us to make us a lot safer in our travel between the two places. And to me that's an example of approaching others. That it's not just about people on construction sites. We can all use that in our daily lives to help make all of our works and homes safer by if you see somebody doing something that's a potential hazard, go and talk to them about it and I think they will generally appreciate it. So I just saw that as a great example of our approaching others initiative.

So, we've been partnering with the local contractors and really focusing a lot of how we're going to execute safely in the province, but safety isn't just about safety on the construction sites. Part of the Development Plan also includes the Concept Safety Analysis. That Concept Safety Analysis identifies major hazards associated with the Hebron facility, taking into account the basic design concepts, the layout, and the intended operations. So at this early conceptual stage we assess the risk to personnel and the development resulting from these hazards, and then that is input to the detailed design phase where those risks can be addressed. So this Concept Safety Analysis is the first step in a structured process for risk management that will continue throughout the engineering, construction and operations phases.

Other things we do to ensure a safe facility is to do things like the photograph you can see which is a scale model of the GBS in the wave basin in St. John's to evaluate the wave loads on the platform so that we can design the platform to safely withstand those waves. And so that is just, yet, another input into the engineering phase towards creating a safe platform.

The Development Plan also describes the petroleum resource and the offshore platform

facility. The petroleum resource was first discovered in 1980 and then in 1999 Pool 1 was discovered. Pool 1 is the largest of the five pools and it contains a heavy crude oil.

The estimated recovery from the Hebron field is 660 million barrels to over a billion million barrels.

The offshore platform facility consists of a topsides and a GBS. Now the GBS, the gravity based substructure is the piece predominantly under the water. The topsides is the drilling and production facilities which are above the water. Our concept for the GBS is a single shaft with 52 well slots that go down through that shaft. The base of the GBS contains 1.2 million barrels of oil storage. The topsides facilities are sized to produce 150,000 barrels a day of oil. And you can see that the topsides facilities also have a large amount of water injection and that water injection is required to be injected into the reservoir to be able to produce this heavy crude oil. So the heavy crude oil on Hebron is somewhat more difficult to produce than a lighter crude on, say, the Hibernia platform and so we mitigate that through this water injection.

This slide explains the overall construction plan for the Hebron Platform. On the left-hand side of the slide, in yellow, you can see the various topsides modules. We have the Utilities and Process Module, we have the Living Quarters Module, we have the Drilling Support Module, the Drilling Equipment Module and the Flare Boom Module. So those individual pieces are all fabricated and then they come together at the integration pier at the Bull Arm facility where they are joined together to form an integrated deck.

At the same time as all that fabrication is going on we are building the GBS. The base of the GBS is built in the dry dock at the Bull Arm facility, and then that base is floated out to the deepwater site in Mosquito Cove and then GBS is completed while it's in that floating phase.

Once the GBS is complete, the entire integrated deck is floated over on top of the GBS to form the complete Platform. So the platform is still floating there at the deepwater site and then it is towed out to the Hebron field and set down on seabed. It sits there under its own weight; hence, it's called a gravity based structure. It is connected via pipe lines to the offloading system where the oil can be offloaded to tankers.

We talked yesterday a little about some of the locations for constructing these modules, and we did confirm that our assessments have indicated that the Marystown fabrication yard is capable of building the Drilling Support Module and our assessments have also indicated that the Bull Arm facility is capable of building the Living Quarters Module. So at the moment we are actually out for a bid for construction of the Living Quarters Module at the Bull Arm facility.

This slide shows the overall time line for the Hebron Project construction, engineering and construction. It commences back in last year with the commencement of FEED, the front-end engineering and design, which is continuing today. We filed the Development

Application earlier this year and we commenced site work at Bull Arm a couple of months ago. At the same time we've been going through the Comprehensive Study Report process which we hope to conclude by the end of the year with approval of that report. Next year we'll be commencing detail design. We would expect approval of the Development Application, followed by project sanction, and then we would commence GBS construction at Bull Arm.

So the work at Bull Arm at the moment is the site preparation work to get that site ready to begin construction of the GBS in the dry dock. We'd be commencing topsides fabrication in 2013, and then construction of both the GBS and the topsides would continue until 2016 when all the pieces come back together at Bull Arm to form the complete platform, and then we would be targeting first oil in 2017.

The Development Application includes the Benefits Plan which outlines our approach to benefits. It covers both the development and the operations phases. By the development phase, I mean the engineering and construction phase, which we're in now, which goes for, say, five years, and then the operations phase which goes for more than for 30 years. The focus of the Benefits Plan is on long-term sustainable industrial benefits so we can leave a lasting legacy in the province. We want to further advance development of industry in the province. We want to utilize and build the capability from previous offshore projects.

To that end, we've had extensive and going consultations to shape our benefits efforts. We've consulted with the supply community and many other interested organizations. The Benefits Plan addresses the Atlantic Accord Acts and the Benefits Agreement, and it does address the measurable commitments in the Benefits Agreement.

The Benefits Plan itself covers several key areas; including project management, supply development, procurement and contracting, education and training, research and development and diversity.

And if you think about each of those, the project management piece describes our overall organization for the delivery of benefits.

The supply development describes the approach and process for information sessions that would be helping the various suppliers wanting to get engaged in the project.

Procurement and contracting talks about our process for providing full and fair opportunities for all of Newfoundland and Labrador companies.

Education and training, already we've commenced several initiatives along that lines. Example would be the photograph there, the process labs at The College of the North Atlantic which we've set up for training potential operators for our offshore platform.

Research and development, we also have several initiatives already underway, kicked off to

develop the needed technology to support the industry.

And then diversity. We have already, as you see some of the photographs there, we've been awarding diversity scholarships to Memorial University and The College of North Atlantic, and supporting various organizations involved in diversity efforts.

And these benefits, what I like about many of them, is they really do make good business sense. If you think about education and training, it's really in our interest to develop a qualified workforce to support the project and to support the ongoing operations.

If you think about research and develop, it is in our interest to come up with better ways to develop our offshore resources.

And diversity, it is really in our interests to expand the pool of qualified candidates so we have more people available to work on the project and in the operations, and so by drawing on underutilized sectors we think we can do that with the added benefit that we know from a lot of research that a diverse team is a better performing team.

The Development Application also describes our approach to environmental management. That is implemented through systems, policies, processes and tools consistent with ExxonMobil's operations integrity management system that I mentioned earlier. And our overall mission that we see from those environmental initiatives is to **"Protect Tomorrow.Today"**.

Our approach to environmental management is based on sound science and a life cycle approach. And by life cycle approach I mean we begin at the initial planning, follow through concept selection, design, construction, operation, even through decommissioning of the platform at the end of the field life. Our object is to actively manage environmental risks and focus on continuous improvement. So we have a structured approach and it starts early in the project.

To talk a little bit more about that structured approach, if you start on the left-hand side of this slide, when we're back at the concept or pre-concept selection we have a project specific environmental analysis. So in this case, for the Hebron Project specifically, we do an environmental analysis. We look at the various alternative concepts and we feed that into the concepts selection process. And so once we have then chosen a particular concept, we move into the Environmental and Socio-Economic Impact Assessments. In this case, the Environmental Impact Assessment is the Comprehensive Study Report. So that then leads into identifying and implementing the mitigation efforts that were identified during the assessments, and then those measures are included in the various Environmental Protection Plans. In this case, we have an Environmental Protection Plan for Bull Arm, and we have an Environmental Protection Plan for the offshore piece. Those plans would also describe our plans for training prevention and mitigation. We've already commenced training around the

Environmental Protection Plan for the Bull Arm facility. That leads on to environmental monitoring and reporting, and then we would conduct assessments for environmental and regulatory compliance.

So that whole process, beginning back at concept selection, moving through the planning stage and then into the implement stage, gets towards our goal of environmental protection and **"Protect Tomorrow.Today"**.

We also see it as very important to support the communities in which we live and work. Many of the project team are from the Newfoundland and Labrador community, others will be living here for several years. Some of the initiatives that we've also already been involved in, you can see in these photographs. On the top left, you can see girls from the Bull Arm area schools engaged in the Techsploration program where we provided funding but also provided role models, so these girls could understand what it is like to actually have a career in the engineering and technology sector.

On the top right, you can see the Dunne Academy Robotics Team. They won the provincial competition for robotics, and we sponsored them to attend the international competition in St. Louis.

We also support the arts. You can see the Newman Sound Men's Choir there. We sponsored their debut CD which recently won Classical Artist of the Year at MusicNL.

And we are also big supporters of the United Way. We support the United Way in terms of funding, in terms of donations from the Hebron Project team and the ExxonMobil team, and we support in terms of the time, the time that we spend volunteering to help United Way and the various initiatives that it is involved with. So this is another fun part of the project. It is where we really get to interact with the community and fulfill our mission of supporting the communities in which we live and work.

Let me close by just reiterating our commitments, where our commitment is to successfully deliver the Hebron Project. And while we do that, we will achieve world class levels of safety, security, health and environmental performance. We will provide substantial benefits to Newfoundland and Labrador. We will build and strengthen relationships with the Newfoundland and Labrador community, and, ultimately creating an offshore platform that everybody here can be proud of, that will operate safely and reliably for many years. Thank you, Commissioner.

**COMMISSIONER (Miller Ayre):** Thank you, Mr. Parker. I think, now, we usually have a period where we can bring up what is business from the previous day. Sometimes questions and sometimes there are answers and sometimes elaborations on matters which were unresolved in the previous discussion of the previous session. And I think ExxonMobil has a .... They would like to outline something which we were discussing at the last session in

Marystown and elaborate a little more fully.

**GEOFF PARKER:** So one of the questions was around some of our efforts on supply and development yesterday. And so what I just wanted to highlight was the Eastern Supplies Development Alliance, and we heard yesterday from the Burin Peninsula Chamber of Commerce who are a member of this alliance, and this initiative is to help, what we call knowledge-based seminars, to really help some of the suppliers get connected with industry. So, and we are trying to frame it around connecting with industry, not just with the Hebron Project because the aim being for the more sustainable development of the industry.

So these seminars started in mid-November and they were opened, you can see on the right-hand side there, the schedule of them. They cover health and safety, opportunities for diversity, advertising and marketing, how to form joint ventures, steps in the procurement process, quality management systems and successful contract execution. And they are being conducted in Clarendville, Marystown, Placentia perhaps other locations but I know at least of those. And over the next several months they'll be open to the public. So this is bit of an advertisement for the ESDA sessions as well.

Those sessions are supported by the Hebron Project but also by our two prime contractors: Kiewit Kvaerner contractors and WorleyParsons. They are supported by the provincial government and the federal government. And so we see this as an important way of connecting supplies to industry and giving them the knowledge that they need to be able to participate in the Hebron Project. So I just wanted to share that in answer to one of the questions from yesterday.

**COMMISSIONER (Miller Ayre):** Yes, thank you. Well, I think we will be hearing from this group. I think we were scheduled to do so today but I think now it will be next week due to the fact that we are unable to get, I think it's Bob.

**GEOFF PARKER:** Bob Kennedy.

**COMMISSIONER (Miller Ayre):** Yes, Bob Kennedy who was unable to be here. So we will be having a discussion with them later on and we can continue this discussion. All right. I think we've reached the point now where I can call upon the sessions clerk, Mr. Ed Foran, to introduce our first presenter.

**ED FORAN:** Thank you, Commissioner. We have, first in our schedule today we the Isthmus Regional Readiness Advisory Committee. They've submitted a document which is on our website. It is a position paper and I think Michelle, is it Michelle Power?

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

**ED FORAN:** Porter that was to do this but she was unable, and so today we have Susan

Khaladkar. All right. Anyway, Susan I know.

**COMMISSIONER (Miller Ayre):** She must be right. (Laughter all around).

**ED FORAN:** And so Susan is going to come forward and review their position. Thank you very much.

## **ORAL PRESENTATIONS**

**SUSAN KHALADKAR:** Thank you very much. My name is Susan Khaladkar, and I am from the Town of Sunnyside but today I'm representing five Newfoundland and Labrador communities that came together to form the Advisory Committee for the Isthmus Regional Readiness and Industrial Benefits Planning Study. The study is intended to identify how communities can best take advantage of the opportunities that will come as a result of industrial development in the region.

Michelle Porter, who was supposed to be here today, was hired to coordinate this study. She is a doctoral candidate with Memorial University's Geography Department, and because of the weather she couldn't make it out here to give her presentation, so I am reading these remarks in her place, and I am a member of that committee.

Five communities are participating in the study, Sunnyside, Come by Chance, Southern Harbor, Arnold's Cove and Clarendville. These communities came together as a result of ongoing attempts to work together on issues that impact and concern them specifically. Because of this history of cooperation, they also came together to work on a regional approach to issues in the region and to provide a regional point of contact and to speak with a regional voice.

For this ongoing study, Michelle has talked mostly with benefits planning experts and members of the five participating communities. Attempts to connect with industry representatives since July have been met with limited success. She has talked with members of municipal councils, community leaders, business owners, representatives of area chambers, community volunteers and more.

She is asked about community needs, opportunities and priorities and the processes used to identify these as a community or region.

She is also asked about processes by which communities have worked to maximize benefits from the industrial activity in the region and whether further regional collaboration is considered necessary or important.

And she's asked about community readiness to participate in regional community planning processes into the future.

She's also talked with people who have studied industrial benefit processes and are working in the field. She's asked them what makes a successful benefits planning process and what the keys are for successful benefits planning.

She's asked about case studies and experiences and about the roles of industry and communities in the province.

One of the key insights some from these interviews is the definition of "benefits". What are the benefits? Jobs? A building? A playground? How could industry leave a true lasting legacy in these communities? What if benefits were a process and not a building? How can industry and communities engage each other in a benefits process? What would that process look like?

I can't answer the question here today although I will touch on aspects which could be part of that process as it evolves, but, first, I want to address a topic which emerged from the limited discussions which did occur with industrial representatives: why our community is entitled to any benefits at all.

I think many or even most of the people here today already believe that nearby communities, in particular, and the province as a whole, are entitled to receive a maximize benefit from the industrial activity on their doorsteps. Two of the reasons why they're entitled to these benefits are worth reiterating briefly.

First, although industry has worked to lighten impact, the communities nearest the industrial activity that I am representing here today are bearing the largest burden of this activity. These communities, most of which have limited budgets, are being asked to bear the cost of the wear and tear on the infrastructure that is a direct result of industrial activity in the area.

Housing costs have soared in the Isthmus region. Anyone unable or uninterested in working with the oil industry is struggling to be able to afford to live in the community. These are small communities that do not have the diverse and robust economies that can withstand this kind of pressure without some negative results.

Those working outside the oil industry - teachers, fish plant workers, child care workers, store clerks, the kind of people the communities need to survive and thrive - are struggling to be able to afford housing, and it is harder to attract new workers to fill these positions when the wage is no longer enough to pay for housing.

The environmental impact cannot be ignored either. Although industry has been continuously improving its environmental record. These communities have lost one of the main attractions which attracted and kept people in the community: a pristine and untouched environment. For example, emissions impact the smell of the air in these communities disproportionately. This is not to say these communities do not recognize that

they have benefitted too, they have largely through jobs, but they have also shouldered the largest burden and believe as a result they are indeed entitled to work with industry to find ways to receive benefits which can offset some of these and other impacts.

The second reason these communities, in particular, are entitled to benefits is simple. It is good to engage in corporate social responsibility. It is good business to have positive relationships with nearby communities that is an exchange for what is being lost. This makes supporters out of nearby communities. In interviews with these communities it has become clear the people in some of the communities do not feel that the industrial presence has benefitted them, their community or the region collectively. The benefits cited was that jobs are important to these communities but these people see how their communities are still struggling with basic things: infrastructure, sewage and water treatment, child care, inequality, rising housing costs and things like that.

With all this wealth sweeping through the area there is a sense that this region could have and should have benefitted more. And that is what they would like to see happen with the Hebron Project. They will inevitably bear the largest burden, but these communities would like to turn that burden into an opportunity to maximize benefits. That is why we're here today. There are representatives from each municipality here - they aren't here because they didn't make it because of weather - to say that they want to find a process through which benefits can offset the costs they bear. They have said that although there was a flurry of consultation early in the process, those consultations have stopped. In this sense, industry began well but has dropped the ball with the consultation portion of their commitment. Real effective consultation, consultation that will help these communities prepare for and benefit from industrial activity needs to be ongoing.

Hebron's 2011 Benefits Plan states it commitments to benefits and refers to five of the communities I represent. It demonstrates the spirit of an obligation to provide a lasting legacy to the province and to the communities. The plan states that ExxonMobil has a commitment to developing industrial and human capacity, and creating and delivering sustainable strategic benefits to host nations down to the community level.

However, there are concerns about the effectiveness of the Benefits Plan. I will talk about three here today. The first concern is about the language. It is very vague, the language used in the plan is general. It is not specific and neither obligations or outcomes. As a result, industry representatives can and will, of course, interpret the plan to meet their own interests. These interests may or may not match the interests and/or needs of the communities they are supposed to be obligated to provide benefits for. Community members will read the plan and interpret the vague wording in their own way. In doing so, they are most likely to be disappointed because the plan does not ensure everyone involved understands exactly what must happen to provide benefits.

There are very good things in the plan, of course. It makes a commitment to hiring local

people, for example, to investing in research and development, to using local businesses, and to supporting economic development when it makes sense. However, because the language is vague and does not specify how these must be done, the plan will inevitably create misunderstandings between industry and communities.

Second, we are concerned that benefits are not tied to a results outcome. For example, with regard to consultations, ExxonMobil may feel that they have fulfilled their obligation to consult through early efforts but the communities in this study have clearly expressed dissatisfaction about the more recent lack of consultation.

Who defines when the obligation to consult has been achieved? A document doesn't. The same problems occur with most of the obligations stated. Unless obligations are tied to outcomes, there is no way to discover if they were completed and if they were completed to the satisfaction of the communities they were intended to benefit.

Third, we would like to see a commitment to the provision of benefits, specifically to those communities that are adjacent to the industry and must absorb the bulk of its costs and impact. This issue is mentioned in the plan. It says, "Stakeholders also made clear that the interest in local benefits operates at a range of different geographic scales including the communities hosting or adjacent to project activities." However, the plan does not require any specific obligation to deliver benefits to these communities. We believe this obligation should be stated clearly and not left vague and open to misunderstanding.

The plan's executive summary states that "ExxonMobil's project management is driven by a concern for community support and involvement", yet, if community support and involvement is not defined, it is open to misunderstanding, uncertainty and division.

Although there has been a focus upon what could be better, I would like to state here that the communities involved in the study I represent welcome and approve of this Benefits Plan in its intention. The plans profess support for ensuring benefits at all stages and areas; including project management, supplier development, procurement and contracting, education and training, research and development and diversity is exemplary. However, the major point we want to bring forward right now is that unless there is more precision within the language in the document, unless the definitions of terms and expectations are clear, unless outcomes are defined, the document cannot provide the kind of long-term, meaningful benefits it promises. In particular, these expectations, outcomes and definitions need to be decided upon in consultation with the communities that will experience the benefits with particular attention paid to consultation with the adjacent communities of Sunnyside, Come by Chance, Clarenville, Southern Harbor and Arnold's Cove. These communities are working together to establish processes through which they can move on to prosperity as a region, buoyed up by industrial activity.

The issues brought up here are at the moment central to their ability to negotiate and ensure

benefits reach their region. Real engagement between industry and these communities is required and needs to be explicit in its definitions and outcomes establishing an open communication process that defines everyone's expectations and creates common goals may yet be the most important benefit to these communities, then real benefits will be experienced.

Thank you very much, Mr. Commissioner. (Clapping).

**COMMISSIONER (Miller Ayre):** Susan, thank you. I have a number of questions and if you want to sit down that will be fine, too. I think the other mic might be working here. But that's up to you anyway. We'll see how you feel. If the questions get too long then sit down, I guess, after that.

**SUSAN KHALADKAR:** And remember that I'm pinch heading for the real presenter, so.

**COMMISSIONER (Miller Ayre):** Well I was going to say that I fully understand that, and so I understand that, and we're not going to get into the actual detail of the report which I know you people have kind of commissioned in a way. Are the town councils regular members of the, are you with, say, Sunnyside council and so on?

**SUSAN KHALADKAR:** Yes, there is a representative from each of the town councils on this advisory committee.

**COMMISSIONER (Miller Ayre):** Yes. Now that one wasn't hard, right?

**SUSAN KHALADKAR:** No, no. We actually started meeting as a group before and then when this came up we decided that we would participate in the study as well, so.

**COMMISSIONER (Miller Ayre):** And where are the funds coming for the study? Was Michelle Porter brought in by you?

**SUSAN KHALADAR:** Yes.

**COMMISSIONER (Miller Ayre):** It wasn't all by your group? It was by town councils?

**SUSAN KHALADKAR:** No. We are continuing. I think the rural secretariat has some funding in there, ACOA has some funding in there. Can anybody else answer that?

**MAYOR ROBERT SNOOK:** Innovation and trade.

**SUSAN KHALADKAR:** Innovation and trade.

**COMMISSIONER (Miller Ayre):** Okay. So, and the study is not exactly a socio-economic

study but it's an effort to understand the benefit package and to interface?

**SUSAN KHALADKAR:** Yeah, to identify strengths, weaknesses and the opportunities that might arise out of this kind of development in the area. How we can better meet the needs of the companies and how our people can better benefit.

**COMMISSIONER (Miller Ayre):** So is it fun trying to communicate with the other communities? In St. John's they don't seem to have so much luck.

**SUSAN KHALADKAR:** It's a start. I think we're doing very well, actually, but a few years ago there was no such committee. So it is really coming about recently. Yeah.

**COMMISSIONER (Miller Ayre):** I don't know if you, obviously these were words and concerns that Michelle Porter had raised. Did you have any expectation of when you might hear back from ExxonMobil or was it just from your point of view that the dialogue just slowed down or?

**SUSAN KHALADKAR:** Yes, yeah. I think at the beginning there was a flurry of activity from the companies that were going to be working in the area and then they were tied up in their own logistics of getting onsite and all of the contracts that they had to deal with, so they kind of faded into the background for a bit for a while but hopefully they'll be back again.

**COMMISSIONER (Miller Ayre):** I guess that's my first question. If we could hear a little bit about when at the level and at the type that Susan and her team are thinking about, when would the reengagement begin?

**GEOFF PARKER:** In fact, the reengagement has already begun. But to me it is appropriate not surprising that you may have seen a bit of a lull in activity because a lot of the initial consultation was there to provide input into the Benefits Plan. So then we probably just went back to our lonely writer's garret and wrote the Benefits Plan after getting that. Then, I think, as you probably know, we're back, even recently, with various community meetings. So there was a lot in 2009 when we first started, 2010 there was some and then the reengagement commenced. So February we had an ad hoc community representative's group. We have been doing the supplier information sessions, municipal symposium update on some of the plans in the area. So I think as the work has started now at Bull Arm, I think you'll see more and more of that sort of activity. So that cycle of consult a lot, go and write the Benefits Plan and reengage is probably not surprising to me. But Dave has been involved in a lot of these consultations over time. Have you got anything to add?

**DAVID McCURDY:** Not to that, no.

**GEOFF PARKER:** No? Thanks.

**SUSAN KHALADKAR:** Well Michelle had some difficulty reaching people when she was trying to find out, to reach the benefits representative. So this is part of what's being reflected here. And I think in our own communities what happens is that people start to say, well, we heard from them at the start, now where are they? It's just, you know, in communities people have expectations and they're more focused on some of these details than probably you are.

**GEOFF PARKER:** I understand. And I think one of the initiatives we talked about yesterday is that we will have a community liaison person at the Bull Arm Visitors Center. So that will be a full-time person.

**SUSAN KHALADKAR:** That's great.

**GEOFF PARKER:** And particularly for the local communities I see that as being a key contact for them. So I can understand trying to contact a big company. No one is sure who to talk to. So I think having that central point of contact should help in that communication.

**SUSAN KHALADKAR:** Yes.

**COMMISSIONER (Miller Ayre):** Okay. Do you know when that would be happening or when that would start? The appointment of that person?

**DAVID McCURDY:** I can add a little bit more to the comments you made there. We did get the request for information and it was for the study that was going on, there was a fair amount of information was requested. And so we got, I was involved in that. We got the information sent out to the different providers, had to pull it together and organize it, and it went in, I believe, a week plus ago. So it was a bit of an exercise to get the information in but it was our intention and our process to get the information back. It just took a bit to get.

**GEOFF PARKER:** And to answer the question of when the community liaison person is, I understood we had resumes already for that person.

**JIM O'REILLY:** Yes. We've interviewed and actually in the process of hiring. So by year end, for sure.

**GEOFF PARKER:** By year end. Thanks, Jim.

**COMMISSIONER (Miller Ayre):** Oh there we go. All right.

**JIM O'REILLY:** By early December.

**GEOFF PARKER:** All right, thank you.

**COMMISSIONER (Miller Ayre):** So you got commitments right away.

**SUSAN KHALADKAR:** Great, thank you.

**COMMISSIONER (Miller Ayre):** I think just in some other respects here, just so. I did notice in a number of presentations on benefits, that on occasion there is -- it is unclear, really, whether the solution of the problem would be likely to come from the proponent and the operators, or whether some things, some infrastructure issues are much more likely to really be a provincial government responsibility. Now I don't know if you, I mean I'm sure you sense as a council member and one thing, you've obviously got two things to look at. So sometimes the solution would be very difficult for the operator to be the likely solution to the problem. But I think you've made some other points where on measurement and so which other people have made, and the difficulty of everyone knows the intent is for good benefits to flow from all of this and there certainly will be benefits, period, trying to measure anything. But I think for people to think clearly about this, they need to know sometimes when the next stage is being reached and so on. And we're working on trying to get those kinds of answers for everybody. And I think you've seen that theme as well as we have, so.

**GEOFF PARKER:** I think it gets back a little to expectations around what should be in a Benefits Plan. And I think when we've talked with the Board about that, that being pretty clear that it is to describe a process, and, as you mentioned, the benefits is a round a process. And so the Board's been pretty clear the plan is meant to describe a process, not necessarily the outcomes and the targets, and so we followed that. And I think there is some good reasons for that.

Firstly, the Benefits Plan covers the entire project. So not just this construction phase, which is the piece that affects the local communities, but it's intended to cover the 30-plus years of operations as well. And so for that reason is one reason it would need to be fairly high level describing a process, but then the other reason is that it needs to keep flexibility because we'll have reengagement, we'll get new information through consultation, and we'll want to respond to those inputs, and then the plans will evolve and we'll want to change as well. So I think given the long-term nature and the style of projects in terms of evolving plans, I think it is quite important to keep flexibility in a Benefits Plan. So, you would think at this stage that high level document describing the process is the right thing to do.

**COMMISSIONER (Miller Ayre):** I think there are expectations and so on, and even if you look at it and you see a longer term process that you're responsible for, there is still, this next few years of the construction is very real to the communities here. So I mean I think I can understand why it is useful for you to have information and help you out during the process in which you're deeply involved.

I think that we're pretty much, we're pretty much at the end. I think if Michelle were here she might want to elaborate or try to argue some of these points out a little more fully, but I don't think it's something you want.

**SUSAN KHALADKAR:** No.

**COMMISSIONER (Miller Ayre):** No, okay. Well, that's great. Well, thanks very much for substituting.

**SUSAN KHALADKAR:** Thanks very much. Thank you.

**ED FORAN:** Now we would have the Town of Sunnyside coming forward, and Mayor Robert Snook is here to present today. And again, they have submitted a written document. The document has been received. It is posted on our website. And again, it's a well put together document. We thank very much the Town of Sunnyside for the effort to come here today with the snow and everything else, right.

**MAYOR ROBERT SNOOK:** Yes, our technology is not very well advanced like that, so you'll have to bear with us.

**COMMISSIONER (Miller Ayre):** Looks pretty complicated to me.

**ED FORAN:** So the town is putting up an area map to situate the construction site as well as their town site. So informing this for our transcriptionist.

**MAYOR ROBERT SNOOK:** Thank you. Good afternoon, I'm Mayor Robert Snook from Sunnyside. As you can see from the map that I've put up there, we are your nearest neighbor. In fact, you will be, the map right here is where you'll be doing your GBS construction in Great Mosquito Cove, and when you move out the topsides and start building on the topsides you'll be right here, and the nearest house is right here and I'm sitting in my living room right here watching, you, okay, every day. Okay. So we're very near neighbor. Within two kilometers we will be able to see you work, once you get into the topside area. We're your only neighbor on the Trinity Bay side the Isthmus.

Our community used to be known as Bay Bulls Arm. The name was changed around 1905 to accommodate the postal service and confusion with the other bay bulls south of St. John's.

I read your Socio-Economic Impact Statement and Sustainability Development Report that was prepared in April of this year for the Hebron Project. To say the least, it was disappointing and puzzling to find that Sunnyside was not mentioned anywhere in the report. We are the closest community to the Bull Arm fabrication site on the Trinity Bay side of the Isthmus. If the access road to Bull Arm becomes impassable, you can be assured we'll come to your assistance by water.

Sunnyside will be the most affected by the project at the fabrication site. Sunnyside residents will hear the noise. They will watch the mammoth structure take shape over the hills, and as I said, when you get to deepwater site we'll be able to watch you every day.

There will be an increase in traffic in our community as word gets out that you can see the oil platform from our harbor, and farfetched as it may seem, what if the platform sinks in Bull Arm, God forbid? In a project this size there is always potential for disaster. Suffice it to say we will bear the brunt of any negative social economic consequences. Please bear that in mind, Mr. Commissioner, as you consider the benefits that will accrue across our wonderful province.

Other communities in the area were mentioned in the document, so were several hiking trails, but, again, the Center Hill Hiking Trail in Sunnyside was left out, even though it takes you to the highest point in eastern Newfoundland and a spectacular panoramic view of five bays.

People have lived in Bull Arm for over 5,000 years. Just beyond Big Mosquitie, as I call it, that's my language, where the Hebron Project is located there is an important archaeological site that's one of the richest in the province, and it is out a little bit farther than where you are. It is out along the shore a little bit farther in a place called Stock Cove.

It is being excavated by the archaeologist from the Smithsonian Institution and Memorial University. This site may hold clues to diverse and indigenous occupations of the area, and may even provide clues to the impact of climate change over several millennia.

Fishermen have been using the resource of Bay bulls Arm since the 1500s, and our harbor has been the site of several historic events. The Everville use Frenchman's Island and Frenchman's island is right up here, right in Sunnyside, right at the bottom, right in here, use Frenchman's Island in our harbor to house English prisoners that he took while burning English settlements in the late 1600s.

In the early 1800s people began to settle along the south side of Bull Arm from Stock Cove to Center Cove; gradually a small community took shape with schools, churches, saw mills, stores, a cobbler and a postal service. The first transatlantic telegraph cable was landed here, and although it did not operate for more than a few weeks, it provided proof of concept for the cable that was the eventually landed in Hearts Content.

Families that had settled in Stock Cove, Goose Cove, Little Mosquito Cove and other places moved to join the growing community of Bay Bulls Arm. The history of Sunnyside reflects a pattern of many other communities in pre-confederation Newfoundland. They fished, hunted, grew vegetables, kept sheep, goats and chickens, chopped their firewood. In short, they were a model of sustainability but life had its hardships.

The 1950s and '60s were years of catching up with other parts of Canada. Electricity was introduced, roads were built, people bought radios and televisions, they got indoor plumbing, washing machines, cars, and generally joined the mainstream of North America.

Now for the oil industry: The Isthmus of Avalon in recent decades has become an industrial area that serves the oil industry. The evolution started in 1973 when an oil refinery was built

at Come by Chance, Placentia Bay, just a few kilometers from Sunnyside, just across the highway.

Then the Bull Arm site was developed in the 1990s and has been used to fabricate the following: Hibernia, Terra Nova topsides components, White Rose modules, drill rig refits, expanded living quarters for Terra Nova, drill rig refits of the Grand Banks and the Henry Goodridge and the fabrication of the North Amethyst subsea manifold.

The Newfoundland transshipment facility was built in Arnold's Cove in 1998, completing the strategic triangle that can build or repair platforms, refine oil and ship it to markets in North America, South America and Europe.

Hebron is the second truly large scale development project to be undertaken on our doorsteps. While these large megaprojects have brought enormous benefits to the province as a whole, the interest of Sunnyside has so far been largely ignored.

Our roads are in deplorable condition. Our recreational facilities are quite inadequate and are provided to the largest of community service groups. We've watched over the years while the communities of Come by Chance, Arnold's Cove and now, recently, Long Harbor have benefitted from industry in their communities. Meanwhile, our community has struggled with providing the basics to our residents; providing good drinking water, completing a 30-year water and sewer project not finished yet and we're always looking for funds to repair our roads.

However, I'm pleased to tell you today, Mr. Commissioner that this is about to change. ExxonMobil, the primary tenant at Bull Arm, announced they will pay the Town of Sunnyside a grant in lieu of taxes for duration of the project. This grant means a great deal to us. It means we no longer has to scratch for funding to make some necessary repairs, and it means we can tackle issues of sustainability and development in a way that makes economic sense.

Hibernia: The Hebron Project Socio-Economic Statement and Development Report, Section 6332 states: "The Hibernia platform was constructed and assembled at Bull Arm. The capacity of the site also met all requirements placed upon it by Terra Nova and White Rose projects and no difference is anticipated for the site to be used for Hebron. The use of the site for Hibernia, Terra Nova, White Rose has been beneficial to the local as well as provincial economies, and any use made of it for Hebron would continue these benefits. No demand for additional industrial land is expected in Clarendville, Arnold's Cove or other Isthmus communities."

We'd like to set the record straight here today by stating unconditionally that Sunnyside has not, until now, seen any significant benefits from the Bull Arm fabrication site. This is beginning to change with the Hebron Project and we hope it will not end with it. We have been successful in negotiating an appropriate arrangement with ExxonMobil. We anticipate that this will become a template for our dealings with other major project proponents in the

future.

When Hibernia was announced in the nineties, people in Sunnyside naturally expected to see jobs, business opportunities, and other benefits come with the development. They also had some concerns. Increased traffic would be a problem, accidents, drugs and other crimes, lack of available housing, wear and tear on our infrastructure. The expected benefits did not materialize for the Sunnyside residents, although a few did get jobs and local businesses benefitted on a small scale. For the most part, however, Sunnyside residents were not prepared for the competitive environment that comes with development. Our residents did not have the skills required for jobs at Bull Arm, but, more importantly, they did not have union papers. So even when they had the skills required, they were not considered for the jobs.

Our businesses were and still are small and did not have the resources or the experiences that enabled them to bid on contracts successfully. In the past, the Town of Sunnyside did not receive any tax revenue and there was no significant benefit for the town's economy. There was, however, an upswing in the price of accommodations and housing. This impacted persons who are on fixed income and persons on social assistance since housing becomes less affordable for them and some must leave their community in an effort to make ends meet.

There is also significant wear and tear on our infrastructure. A community wharf was destroyed in early days to the project because of Hibernia-related activities. Our roads were degraded because they were, of course, not engineered to withstand heavy traffic from such a megaproject and 4,000 workers. The Town of Sunnyside received no benefits at all from the Hibernia project; only costs.

Boom and bust: Sunnyside has met the same characteristics as a single industry town in other parts of the country. Towns with these characteristics are seen throughout northern Canada and much has been written about them. The characteristics include lack of control for economic development; control by outside interests; history of dependence; education and skills focused on one industry.

**COMMISSIONER (Miller Ayre):** Don't panic.

**MAYOR ROBERT SNOOK:** Don't panic?

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

**MAYOR ROBERT SNOOK:** Okay.

**COMMISSIONER (Miller Ayre):** You carry on.

**MAYOR ROBERT SNOOK:** I will drink water in that case and relax. I can take Bill Kennedy's time from the ESDA and everybody else's. (Laughter all around).

**COMMISSIONER (Miller Ayre):** No, I didn't say to go mad. (Laughter all around).

**MAYOR ROBERT SNOOK:** You got to watch when you're giving me permission to do something. Also we have economic dependency on international markets, low levels of entrepreneurship, little economic diversification, uncertainty about the future and relatively high wages. That pretty much sums up Sunnyside since the oil industry started operation in Come by Chance. Now are three oil-related entries in our area.

Many of our residents have acquired skills needed to work in the oil industry, but they are now in the oil patch of Fort MacMurray, while others traveled here from across the country to work next door. We hope to see this change as a result of the Hebron Project. Hebron has recently negotiated a contract that gives first priority for hiring to union members in Newfoundland and Labrador, and then second priority to nonunion workers from this province. That is a great step for people who are currently living here but we are not sure where it's going to leave those who are living and working in Alberta and want to come home.

Governments also have a role to play in breaking the boom and bust cycle. Many responsibilities have, in recent years, been offloaded from the federal government to the provincial government and then down to municipal governments. Communities are expected to be sustainable in their own right instead of relying on government. We agree with this in principle but I can assure you that we know the playing field is not level. Industries like larger communities like St. John's pay a variety of taxes locally and bring benefits locally. Larger communities are in a better position to benefit from development than communities like Sunnyside because they already have the infrastructure and the entrepreneurship to support industrial development. That is why Exxon's recently announced grant in lieu of taxes is so important to Sunnyside. We are looking for ways to make Sunnyside an economically sustainable community that is no longer subject to the boom and bust cycle. The much needed revenue from Exxon will give us a start in that direction.

We also have negotiated contracts at Bull Arm to provide fire and emergency services to the site until they get their fire department up and running.

We also provide them with potable drinking water. So we are important.

We have discussed waste management with the Hebron representatives and hope the Bull Arm site will see fit to use our waste management site for their commercial industrial waste instead of shipping it to Robin Hood Bay.

Sunnyside has a property-engineered waste management site that could provide a cost-effective solution for the Hebron project components. Unfortunately, we don't have any guarantee that we'll be permitted to stay open as commercial industrial site. We now have a permit to operate in 2012, but these permits are on a yearly basis and we do not know what we will get in 2013.

It is extremely difficult for a community to negotiate effectively with private enterprise when there is no guarantee that the government will permit us to stay open for the life of the project. We hope the provincial government will see fit to include our site in their overall waste management plans. A commitment from the provincial government would assist us with this issue and provide us with a reliable, sustainable and long-term cash flow that is sorely needed if we are to continue to provide adequate services for our citizens.

Mr. Commissioner, does it make sense to transport tons and tons of waste 170 kilometers from Bull Arm to Robin Hood Bay, St. John's, when there is a property-engineered waste management site 10 kilometers away. This site is compliant with current regulations and well managed. It is a great and nearby facility for waste from such a construction site.

The language has changed since Hibernia. Industries are now talking, as we heard mentioned today, ways to ensure that the nearby communities benefit from development. They talk about good communications and that sort of legacy that might be left. Last spring our town council had several meetings with Nalcor, Exxon and KKC but that was followed by a long silence while the companies sorted out the logistics of moving on the site. Now that they are on the site and work is underway, we hope communications will become less sporadic and more focused.

We have concerns about road safety. We have already noticed an increase in traffic, vehicles driving fast. We don't have sidewalks and a lot of people walk on the road. It would be very easy to have injuries. There has already been a couple. Luckily they have not involved pedestrians and no one was seriously hurt.

To make matters worse, there are now only two RCMP officers policing this very large area. They are stationed here in Clarenville. When Hibernia was underway there were five RCMP officers policing the same area.

I would like to make note here of something else. I haven't got it in the strip. But this is going to be a dry camp at the Bull Arm site, as far as I know. That means that there is going to be more people out in our communities and there is going to be more problems. So we think we need increased policing.

We also hope that the new union agreement will result in more signs of our residents getting jobs at the Bull Arm site. Commercial space is being rented and renovated in Clarenville. We would like to see that sort of development occur within the Isthmus areas. There will be need for more housing and recreational facilities. We would like to see more difficult on this happening in the area as well.

The Town of Sunnyside looks forward to continuing dialogue on these topics for our mutual benefit. The most important legacy the Hebron project can leave is a sustainable community. The economic needs of the Town of Sunnyside have not been factored into this development.

The Town of Sunnyside, like many towns in this province, would like to ensure its long-term survival. Over the past 20 years, we've seen an exodus of residents to places like Alberta, many of these expatriates will never return. It is unfortunate, indeed, that our residents will have to travel across the country to find work when it could be readily available next door at Bull Arm.

While we appreciate the efforts of the proponents of the project at Bull Arm to inform our citizens in advance as to what types of skill sets would be required to meet their needs, there is another barrier of employment that has not been addressed. During Hibernia it was difficult to get a job at Bull Arm, if you're not on the union list. It appears to us that both union membership and getting on the list has been serious impediments for Sunnyside residents.

We applaud the new contract that gives first priority to Newfoundland and Labrador union workers and second priority to Newfoundland and Labrador workers that are not union members. This is an excellent step but we would like to see greater priority given to people in the 50-kilometer radius of the site, and we would like to see an effort made to bring back people who are working in other locations.

We would like to see a long-term commitment from Nalcor to the benefits specifically to communities that are adjacent to the industry and absorb most of the cost impacts.

We would like to see discussion on recreation and service gaps on the Isthmus. When Hibernia was built, for example, there was a swimming built there, a gymnasium built there, and many other amenities. What's happened to them after Hibernia was over? Well, they're scrapped. If they're not down, they will be becoming down, I guess, because of deterioration. If these amenities had been put in the communities, they could have been used from the time Hibernia left in 1997, they would be there today and Hebron could now use them. So we hope any new development in this area will work with communities and have it done in the communities.

I'm clueing up. The project will provide about one billion in royalties per year for this province, a total of 16 billion is anticipated over the life of the project. While no one would argue that these are not significant benefits associated with development but the Town of Sunnyside says that in the course of concentrating on the forest, we are ignoring the trees.

While the EMCP is focused on providing provincial and national benefits is laudable, the Town of Sunnyside respectfully believes that the workforce development and strategic community investment to build capability and capacity can also be undertaken much closer to home. A vibrant and growing Town of Sunnyside is in the best interest of all parties engaged in the fabrication of the gravity base structure in Bull Arm.

Memorial university is currently conducting a study in the area. One of the objectives of the study is to identify business opportunities in the area. We hope the study will provide us

with information we need for economic development.

And my final thoughts: We would like to see the Isthmus area thrive and prosper. We are optimistic about the future. Things have changed considerably since the 1990s. Provisions have been made for more local benefits. This grant in lieu of taxes will enable us to invest in our community and infrastructure. The Town of Sunnyside looks forward to working with EMCP and building a sustainable relationship that invests in the social fabric of our community and makes our town a desirable place to live for its permanent and also its temporary residents. Thank you.

**COMMISSIONER (Miller Ayre):** Thank you, Robert. Thank you. Well, there are a number of issues that arise in your presentation. Perhaps we have a chance to discuss some of them with you. Just, first of all, you mentioned a few ways in which you thought the grant would be useful to you. Is your council met and gone through it in details and so on? Have you got any? How is it going to work? Do you get so much a year or what?

**MAYOR ROBERT SNOOK:** Yes, we'll get a grant each year for the whole time they are in construction of the project. We only found this out or we were told that we were going to get this as of past Friday, so we haven't had much opportunity to really sit down and look at it. But it will enable us to do things in our town. We have a heavy debt load. Sunnyside has no industry whatsoever, probably only one small business, so our tax base is very low. Just our mill rate and our water and sewer tax, and we aren't able to do much with it. So our debt service ratio is very high. But this grant in lieu of taxes will enable to us retire our debt in two or three years, then we'll be able to start doing some things with infrastructure to make our town a better place to live.

**COMMISSIONER (Miller Ayre):** But I mean the town, it is not somewhere where you'd build sidewalks or something like that? I mean, presumably the character of the town speaks to some things.

**MAYOR ROBERT SNOOK:** Yes, that's right. But we like to do things with our waterfront. There is parts of the town that needs, you know it is good water property. We have a tremendous bay for boating and so on. We'd like to do something with that. We need some recreational facilities. I'm not just talking about playgrounds for children but general recreation facilities for all ages to use. Fifty percent of the population of Sunnyside is over 60 years old. So there is a need there.

**COMMISSIONER (Miller Ayre):** You're very young to be the mayor. (Laughter all around).

**MAYOR ROBERT SNOOK:** Looks are deceiving, I guess. I'm not that young. I've been retired since 1997. But, no, a lot of our people are retired and so on, and we like to do things for them. We want to help all our community. We want to help industry as well. Like I said, our waste management site is a great site and we pride ourself on it. We've put a lot of money into it and we just hope that they'll see fit to use it. We know we're competing with

Robin Hood Bay but Robin Hood Bay is 170 kilometers away.

**COMMISSIONER (Miller Ayre):** Yeah, I just wondered, I didn't notice offhand. I don't know if anyone. Was there anything in any of the CEAA work or any of the reports that would give an indication? What usually happens with industrial waste related to sites like this? I mean, I just don't know. I mean, maybe Leslie knows, someone knows.

**GEOFF PARKER:** Well there's usually there is the nonhazardous waste and the hazardous waste. I think at the moment we are using the Sunnyside waste disposal facilities.

**MAYOR ROBERT SNOOK:** You are, yes.

**GEOFF PARKER:** For their nonhazardous waste, yes.

**COMMISSIONER (Miller Ayre):** But no agency spoke on it, did they? Didn't say we want all this to go, do we know, Robin Hood Bay or something? I don't know. I just don't remember. Anyway, we can check it out. Tomorrow is business. As you saw before, well each day when we get to the next session, we have follow-ups on things. We'd like to follow up on your waste issues and see what we can find in the documents.

**MAYOR ROBERT SNOOK:** Okay, if you find out.

**COMMISSIONER (Miller Ayre):** Find out good news we'll be back to you.

**MAYOR ROBERT SNOOK:** Would you let me know because I haven't been able to find out where it's being directed. I know where it is going now. It is going to our waste management site now but tender has just been called closing the 30th of November. I found out that much. And I don't know where it's being directed. I hope it's being directed our way. But I think it is just a one-year thing for early works and there would be another one issued later.

**GEOFF PARKER:** ?(Away from mic).

**COMMISSIONER (Miller Ayre):** Yeah, we don't know.

**MAYOR ROBERT SNOOK:** All right.

**COMMISSIONER (Miller Ayre):** Okay. Well, we know it's of interest to you in any event, so. I think that perhaps, Geoff, you could give us a bit of a feel for how you decided to give such a grant. You know, I mean, obviously it's not something you can do for every community but you must have felt a closeness here.

**GEOFF PARKER:** My understanding, in this case there was, you know, as part of where we

lease the site from Nalcor and it wasn't entirely clear in terms of the site paying taxes or not, and so we feel we'd resolved that in terms of, well, let's not have an argument about that, we'll just pay the grant in lieu of taxes and resolve that issue. And so I think we have a long record of positively impacting the communities adjacent to where we work, and I thank the mayor for highlighting some of the things we've already done towards Sunnyside there.

What other thing I would like to highlight and thank Sunnyside for, the mayor mentioned the mutual aid agreement in terms of fire fighting facilities. And we did have an instance during the early part of work at the Bull Arm facility where one of the trucks caught fire. And the driver of the truck, he was fine. He got out and he was trying to fight the fire with the fire extinguisher but it was too big. And so they called the fire department from Sunnyside as part of this mutual aid, and this was a Saturday night, and they were there within minutes. It's a volunteer fire department to do that really to me was just a great example of the communication and liaison and really what this mutual aid was all about. So again, a full thank you to the fire department for that.

**MAYOR ROBERT SNOOK:** Thank you.

**GEOFF PARKER:** I know they're volunteers and we really do appreciate it. Thank you.

**MAYOR ROBERT SNOOK:** Okay.

**COMMISSIONER (Miller Ayre):** So there is a limited fire fighting kind of apparatus or focused kind of fighting apparatus on your site.

**GEOFF PARKER:** Well, because this is the very early start of the site development we're building that capability.

**COMMISSIONER (Miller Ayre):** Right. I see, okay.

**GEOFF PARKER:** And so we have this piece while we're building it and so we were able to come to this agreement with Sunnyside for that.

**COMMISSIONER (Miller Ayre):** That's good. And they let you drink their water too. Is that all the water they need?

**MAYOR ROBERT SNOOK:** Well, they haven't been back lately. I think they may have their own system up and running now. We haven't seen a truck for about a week now, I think.

**GEOFF PARKER:** There is a system at Bull Arm. Again, it is part of the re-establishing the site, establishing the water system there.

**COMMISSIONER (Miller Ayre):** Certainly, I mean obviously this shows the closeness that your community has with this site. I wanted to ask you a little bit more about the native sons

returns, sons and daughters returning with all the, from Alberta. And I was interested in what you were saying. And in the agreement, of course, if you were working, I mean, number one, is Newfoundlanders with union connections and then it's Newfoundland residents and then it's union affiliated workers from outside the province and so on, right. Now, I mean it is strange in a way that, do you agree that if you were a resident, if you're a former resident of Sunnyside but, I guess, working in Alberta and the union organized person there, you're not technically now a resident of Newfoundland.

**GEOFF PARKER:** Let us clarify that. Normally we follow the electoral roll provisions. In this case, in the labor agreement, ExxonMobil is not party to that agreement. That's between the Hebron ....

**COMMISSIONER (Miller Ayre):** KKC, yeah.

**GEOFF PARKER:** Yeah, the Hebron Employers Association, the KKC and WorleyParsons and whoever else joins that, and the unions. So I'm not sure whether they have a specific definition of residency in that or whether like it does, perhaps, in the Atlantic Accord just refer to the electoral provisions. I'll check that for you.

**COMMISSIONER (Miller Ayre):** But it sounds like the number two group on the list will be people who are already living here -

**GEOFF PARKER:** Nonunion members.

**COMMISSIONER (Miller Ayre):** - prior to that group which we often talk about which are the union-affiliated people from outside coming back.

**GEOFF PARKER:** Yes, they get it. So, yes, it begins with provincial union.

**COMMISSIONER (Miller Ayre):** People here who are union. People here nonunion.

**GEOFF PARKER:** Provincial nonunion, then rest of Canada union, then rest of Canada nonunion, then we move to the US.

**COMMISSIONER (Miller Ayre):** But there is no identification of that rest of Canada union affiliated who happens to be Newfoundlanders who we all talk about as wanting the despoire turning and coming back.

**GEOFF PARKER:** We'll check that definition.

**COMMISSIONER (Miller Ayre):** Yes, it is interesting exactly where they fit in. So maybe you're slightly, we don't know, I mean your interpretation is probably correct in as far as we know now but we'll have a look at that.

**MAYOR ROBERT SNOOK:** And we've asked that question. We haven't got the answer.

**COMMISSIONER (Miller Ayre):** You haven't got the answer yet. I'd just like you also to comment, if you will, on the RCMP officer situation. I mean, there are two officers only stationed in that building that we see in Clarendville or?

**MAYOR ROBERT SNOOK:** No, there is two officers on patrol at a time, right.

**COMMISSIONER (Miller Ayre):** On patrol at a time, okay.

**MAYOR ROBERT SNOOK:** At a time. That goes right from Bonavista, up to Swift Current, and I think probably as far as Little Harbor, I'm not sure, which is a very large geographic area.

**COMMISSIONER (Miller Ayre):** That's patrolled, right?

**MAYOR ROBERT SNOOK:** Only two, right, on highway patrol at any one time. So there was an incident down in Bonavista or down towards Bonavista, not to Bonavista but down that way, say in Bloomfield area, the two officers are down there, and then all the other area is free to do what they like, basically, because there is no. Now in Hibernia days --

**COMMISSIONER (Miller Ayre):** Now there are more RCMP in the area.

**MAYOR ROBERT SNOOK:** Oh yes.

**COMMISSIONER (Miller Ayre):** But if there are only five, there is only two on patrol at a time.

**MAYOR ROBERT SNOOK:** Yes, in this area.

**COMMISSIONER (Miller Ayre):** And the other officers, as I understand this, they do a certain amount of patrol work, at least for highway safety and on the highway, when they are going to and from St. Mary's, is that correct?

**MAYOR ROBERT SNOOK:** Ye. But what we're worried about is the fact that where the Clarendville detachment has been basically downgraded since Hibernia days. There was actually five officers during Hibernia days that would be doing the same policing in the same area as they're doing right now.

**COMMISSIONER (Miller Ayre):** So have you asked them whether they were planning to gear up or not?

**MAYOR ROBERT SNOOK:** I think they're pretty limited. We've discussions with them. Didn't call them in to discuss this with them but in discussions of other topics. They have been downgraded and they would like to have more but.

**COMMISSIONER (Miller Ayre):** And have you had rent issues in Sunnyside, like we've heard where rents go up?

**MAYOR ROBERT SNOOK:** Yes.

**COMMISSIONER (Miller Ayre):** Or are you not? You are affected by that?

**MAYOR ROBERT SNOOK:** Yes, somewhat. I know we had, we meet regionally once a month, Southern Harbor, Arnold's Cove, Come by Chance and Sunnyside. I know Arnold's Cove had issues where basic tenants, I can't say evicted, but have been told they have to leave because the rent is gone up such now that they just can't pay it because of the demand for housing in the area.

**COMMISSIONER (Miller Ayre):** Yeah. Well I notice that later on in the session there is some considerable talk about that. So I was just wondering for us. We're going to hear about it later on in another issue.

Perhaps before you finish off, if you could just tell us about the plans for how many people you'd anticipate being in the campsite, as it were, living at Bull Arm and what that Bull Arm facility kind of looks like, and what we'd be seeing coming from the regional area?

**GEOFF PARKER:** So our plan for the accommodation of the workers for Bull Arm is a combination of the camp and people living in the local area. And so we're making our plans for the camp flexible so that they'll be able to respond to the demand because it is not clear exactly what that demand will be. A lot of people may prefer to live in the communities around the site or even a bit further away. There is some evidence from other projects in the area that the camps aren't being fully utilized. So we have a camp plan that can go up to 2,000 or more people, if needed. But we're going to have to track that along the way to see whether we need to do it. So it will be sort of a modular way of being able to make the camp larger as the demand grows.

**COMMISSIONER (Miller Ayre):** I think I saw, also, some reference to your having transportation, was that correct? Or you're planning for it?

**GEOFF PARKER:** Yes. And again, depending on demand we do have plans for busses from various pick-up points so that we'll have less vehicles on the road with the bussing from different areas.

**COMMISSIONER (Miller Ayre):** So the concern that was raised briefly by the mayor, where you have the camp dry, which, I mean, I guess that clearly makes sense; on the other hand it means people will go outside. But I mean that must be a dilemma that is fairly common to many places as you're working and what you do and how you handle it.

**GEOFF PARKER:** It's a challenge. Alcohol and construction sites don't mix, and so we take measures to make sure that's not affecting us, but, then, we also have to worry about people being on the roads. So that's an issue we'll have to work with the local communities to make sure that people stay safe in their off time.

**COMMISSIONER (Miller Ayre):** Okay, I think that's where we're pretty much finished this first part of the session. We'll have time for a break right now, and I guess take 15 minutes, at least, and we'll then see if our next presenters are here. Someone may have had trouble on the road. Okay, thank you very much.

**(Coffee Break)**

**COMMISSIONER (Miller Ayre):** Mr. Clerk?

**ED FORAN:** Thank you, Mr. Commissioner. So, if everybody can join us again, outside. They are all in. Okay, thank you very much. So now we'll reconvene. The Town of Clarendville will now deliver a presentation to the Commission, and representing the Town of Clarendville is Mayor Fred Best and Councillor Rod Nickel, and we've just received their document and we've distributed that to both ExxonMobil and to the Commission. So thank you for delivering it today. And you may now proceed. Press, Fred, yeah, the microphone. If you stand up there and the microphone on the table, press the button and it goes red and you're good to talk.

**MAYOR FRED BEST:** Mr. Chairman, thank you for this opportunity. In this area, the Clarendville area Isthmus, this is the second time around for us because we were heavily involved with the construction of the Hibernia GBS in the nineties. At that time the Town of Clarendville was a recipient of a modest influx of workers and a subsequent increase in housing prices and rentals. There was a noticeable increase in the amount of money that was being spent in the area. Many of the workers at the site used Clarendville as their service center.

When the project ended, there was a return to a more normal pace. We've reaped the benefits that you would expect from being the only large town in the vicinity of the project. It would be remiss if I did not say we were more than appreciative of the impact that such a large project had on a small town of 5,000. Our experience at that time was a totally positive one.

At the time, there was some dire predictions of increases in accidents, crime and drug use and that we would be need additional RCMP. I am happy to say that very little of this happened in the nineties. We are anticipating that similar impacts will be result if and when the Hebron Project gets in high gear.

Already we are experiencing some of the same effects of Hibernia. Rental and housing costs have risen drastically in the area, and affordable housing is becoming a hot topic. I have had several concerned citizens make representation with regard to increases in rent, and some of

them are looking to us as municipal leaders to find a solution. I realize and I will readily admit that this issue is not basically a company issue, but, rather, a governmental one. However, the problem is there and it will continue to plague us.

We are fully aware and accept the fact that our area will not and cannot produce the infrastructure necessary to bid on the fabrication possibilities that the project will offer. Our hope is, our greatest hope is that a fair amount of it will be center at Bull Arm or on a Burin Peninsula; however, we would appeal to the developers of the project to make conscious and sincere efforts to direct some of the spin-off contracts to suppliers and developers in our area. Already we have seen signs that this trend is taking place, and with the help of the Eastern Suppliers Development Alliance, a group recently formed to lobby on our behalf, we are encouraged by the reception that it is receiving. The Town of Clarenville strongly urges that this trend continue.

Hibernia, White Rose and now Hebron have been and are massive projects. They generate large sums of money for both the federal and provincial coffers, yet, we have seen very little improvement in road transportation between the Avalon Peninsula and our area. Much of the material, as well as the worker travel, used a two-lane Trans Canada link between Whitbourne, Bull Arm and the Clarenville area. It is totally, Mr. Chairman, inadequate for the increase in road traffic that can be expected. Undoubtedly, Bull Arm will continue to be a major construction site for future offshore developments. It is our contention that the time has come and the needs have demonstrated it that serious consideration must be given to extending a divided highway further west to accommodate that increase in traffic. We should expect nothing less.

Mr. Chair, Clarenville is a service center offering a variety of services. We have a great number of small businesses with one, two, ten, twenty workers. Many of these receive above the provincial average in wages, but nothing comparable to what can be expected at this project. With the heavy demand for workers and enticement of higher wages, one can anticipate a labor shortage in some of our service area in town. It is a problem which I am sure will become more pronounced as the project advances.

This situation, however, is a ironic in view of the fact that we still have a double digit unemployment problem in this province, I would submit to you that there appears to be a disconnect between the expected demand for skilled workers and our ability to put in place training initiatives to provide them. It seems to me that we have failed to take advantage of a golden opportunity and is one we should try to correct.

Mr. Chair, one final point I would make is that we are fully aware that in five or six years all this will end. There will be a phaseout of much of that activity. We did not experience a bust at Hibernia's end and we don't see one this time around; however, there is an expectation, no, I should say, there is a hope that the Hebron Project will leave more of a legacy in our area than Hibernia or White Rose.

We would submit to you the infrastructure at Bull Arm should be such that will offer possibilities for future activities. It seems to us as a town to be a terrible waste of capital for such facilities to be constructed and dismantled. There must be a way and a means to have a more permanent facility there that can be utilized when we need it in the future.

We are fully cognizant of the fact that this is a provincial, national and international product, yet the center of activity is right here in our area. When the project is ended and the tow-out is completed, what will our area have to remind them that this all happened here? Hibernia gave us a great deal for four years but left nothing permanently. Will history repeat itself?

I would submit that there is every justification for some significant infusion of funds by the companies concern into our area and I would implore them to sincerely work with local officials and associations to identify and fund local worthwhile projects.

Clarendville is provincially recognized as a vibrant and progressive town that offers a diversity of lifestyles and recreational amenities. As a town, as a council, as a people we are prepared to work with the Hebron developers and their employees to extend these programs and facilities that we have in our town to their workers as the project goes forward. Thank you, Mr. Chair.

**COMMISSIONER (Miller Ayre):** Thank you, Fred. I think I did have a couple of questions that either you or, well, I guess you could both answer the questions. That would be fine with us. I just like you to speak a little bit about the RCMP issue as you see it. We've heard a little bit about it here today. Has the detachment gotten a lot smaller, the RCMP detachment gotten a lot smaller? Are you working to build it up or speaking to anyone?

**MAYOR FRED BEST:** The RCMP detachment here has not got any smaller in the last number of years, but at the time of the Hibernia this physic developed in our area that there was something drastic going to happen because this giant program was in Hibernia. At that time, I can remember being on the other side of it and I did not expect that. In fact, I got called over the coals by Atlantic Provinces Magazine for not seeing what might happen, but I think I did what might happen, I didn't think it to happen because I know the culture here and knew the people, and I don't think it is going to happen this time. RCMP right here does a good job of managing this area. I am sure if the situation develops that requires further officers there, the commanding officer in this area will see to it that there's an adequate force here.

**COMMISSIONER (Miller Ayre):** Okay. Another query I have that I'm curious about is your mention of the divided highway. And do you see, have you had discussions with the province or the federal government? Or are you aware of anything good about to happen there? That's a personal question, really.

**MAYOR FRED BEST:** No, we haven't but I traveled that highway a fair bit, as I'm sure most people here does as well. The road between here and Whitbourne is not one of the best in the province. I would say that stretch, that 100 kilometer stretch is about the worst in the province. It has got some of the highest hills. We have the Doe Hills there which is usually

snow bound in the winter from, I would say you fellows may have trouble getting back this afternoon. And, but, the point is it's a very bad stretch of road. And I can remember when the Hibernia project was on the go, if I came from St. John's during the change in shift at Bull Arm and met five or six or seven hundred cars going east, it was a nightmare. Some of those traffic trying to pass each other, fellows just coming off work after a 12-hour shift, trying to get to Whitbourne, trying to get to Trinity Bay or even into St. John's and the Argentia area. I think it's a problem that we should have identified before. I think it's a problem that needs to get the upmost attention right now. And, as I say, I don't think it is just the provincial, I think it is the federal government. These projects, those three projects is generating in the vicinity of \$20 billion, and in the last number of years, and yet that road, I don't think has had a million dollars spent on it in that time. I submit that it is a problem that needs to be .... Otherwise the accident right there with the traffic that I'm sure might be generated by Hebron, which is a good thing, may cause us more stress.

**COMMISSIONER (Miller Ayre):** Yes. Do you find that, you were saying that you didn't, I was interested, very interested in your comments that you didn't have a boom and bust occurring following the completion of Hibernia. I mean, you may have obviously had some kind of drop-off with Hibernia finishing and you anticipated that you'd get a benefit from this but the strength of the community, the economy of this area is now strong enough to continue, perhaps not at quite the level, you come down a bit, but it is not a boom and bust? Is that correct? Did I hear that correctly?

**MAYOR FRED BEST:** Well I can remember the days of Hibernia and the money. You could go to our shopping centers where the banks are on almost any day and not get a place to park. You go to Ford Motor Company and a Chev dealer here and they would tell you, look, we're selling pick-ups just the same as if you're picking berries. (Laughter all around). And it was, it was a tremendous economy I'm beginning to see signs of it already here in town. We're a small community, as I said. Already this year, we've had 80 housing starts here which is equivalent to the City of Corner Brook. And in addition to that, I think we might have about 40 to \$50 million of new business construction before the fall ends.

So, I think the business community here and I think the people here have every confidence, not only in the town but also in what's happening in the town, and I think they're looking to Hebron to prolong that prosperity which we've been used to for those number of years.

**COMMISSIONER (Miller Ayre):** Just on this, while we're on the theme we're on now, do you consider yourself a tourist destination in the sense that you got the park and Terra Nova and everything close by? Are two things happening here? You're the center for the area, plus you have kind of an independent tourism activity?

**ROD NICKEL:** I think we're working towards that type of a concept for the community but I think it is more of a lifestyle that they may have referenced here that we have to offer the project is that we have programs that I think you can avail of and facilities that you can avail of, although that will post challenges for us because they are stretched to the limit right now.

So, but we certainly will grace the opportunity to have programs and projects that may enhance what your quality of life is going to be like out there.

**COMMISSIONER (Miller Ayre):** Just, I wondered if, Geoff, you people could respond a little bit on where you'd see the kind of legacy or the continuing potential for Bull Arm, and I think you've mentioned you're building a living quarters there now and you were talking a little bit about things that might generate a life after a major development.

**GEOFF PARKER:** And you'll see the Bull Arm site but there is really two pieces to it. There is the side that has the dry dock area and that, even since Hibernia, has had several smaller projects happening then. Then the other side is the topsides area that has a very large fabrication hull and that is the one where we're building the living, where we've identified that we can build the living quarters and we're bidding that now. I think, to me, that could be something that could compete to build future living quarters. There is no reason why it wouldn't be able to and so you'd get out of that boom and bust type cycle that you go along and have something more steady along the way. So to me that has some opportunity to be a more sustainable thing than waiting for the large GBS projects.

**COMMISSIONER (Miller Ayre):** Certainly that would be, but is this, is Nalcor's taking the, it's Nalcor's property, is it? Or is it yours?

**GEOFF PARKER:** Yes, we lease from Nalcor.

**COMMISSIONER (Miller Ayre):** You lease from them.

**GEOFF PARKER:** Yes.

**COMMISSIONER (Miller Ayre):** So Nalcor, it would be Nalcor who would have to take up the concept of moving, keeping this in place and moving some of these projects ahead, or would it tend to be a business group seeing an opportunity?

**GEOFF PARKER:** Any of those. I think people know that the facility exists and they know that it is a large facility. They'll know that we have been using that facility. So I think it is well known that that site exists and that's evidenced by the several projects, some of the drill rig upgrades and things that have used that in the last ten years or so. So people know it's there.

**COMMISSIONER (Miller Ayre):** When you finish with Bull Arm, do you just leave it? Is the work you've done there kind of leasehold improvements? Like you screw the light into the ceiling and you leave it, that's it when you're renting the place or leasing it? Have you got your, are your residences screwed into the ground or what?

**GEOFF PARKER:** No, our minimum obligation is to leave it at least as good as it was when we started, just like when you rent a house. But there will be other upgrades that we make that

will stay there for the longer term. And that's also worth noting in terms of even the Hibernia legacy. Perhaps in Clarendon you don't, there is stuff there but if you think about the Bull Arm construction facility. That was created for Hibernia and that was one of the reasons we talked about that a lot more work hours were spent on Hibernia just building that facility. That's a major piece of infrastructure to have that dry dock and the different fabrication areas there. So that was a true legacy from Hibernia. Some areas of it for us to reuse and we're having to bring them up again because it's been quite a while since they were used before. Some pieces had been used along the way so they require less upgrade. So, I think, there's the facilities there and then many of the upgrades that we do, we will hand back to Nalcor and then it's up to them as the owner to maintain them.

**COMMISSIONER (Miller Ayre):** Thanks, Geoff. Fred, a part of your speech touched on the social issues in town. The usual, the issues around rent and so on. Have you been noticing a lot of those occurring? Have you got a sense of how difficult that might be? Are these new homes you spoke of, do you think they're being built for rental?

**MAYOR FRED BEST:** Yes.

**COMMISSIONER (Miller Ayre):** Have people got an anticipation they're going to rent at very high rates and local people who have had lower rents, been paying lower rents suddenly find themselves disadvantaged to the extent that they can't meet the market demand for rents and so on? What comments would you have on that? I mean, that's a pretty tough situation.

**MAYOR FRED BEST:** Yes, it's happening and I think it might have started before the onslaught on the Hebron Project right now, but it has intensified in the last six months, last year. I had a person come to me the other day and he said to me, I was paying 350 for a basement apartment and my landlord has notified me that he's expecting in the New Year 550, and he said my income will not allow me to spend an extra \$200 a month.

I know that with the Hibernia, with the Hibernia project a phenomena happened here in which a lot of people who had expensive houses, very expensive houses moved out of their houses and rented apartment buildings and rented their houses for such sums as \$2500 a month. I expect some of that might happen now. And that puts pressure, even the renting of the high end houses will put pressure on the lower end because the people who move out of their houses to rent, of course, is going to have to get somewhere else to go. And they're satisfied for four or five years to rent at low income and rent their own homes for big sums, and then four years pay off a \$20,000 mortgage. But that's a phenomena which happens and I think our problem is to try to find some social solutions to it, and especially for the people that it is the hardest. We still have a number of people in this town who are in the 15 to 20,000 or 25 or \$30,000 bracket per year, and my sympathies are with those people because I wouldn't want to see some of those people endure any greater hardship than I know that they're in. I can cite you examples of people who are just making ends meet; especially widows and senior citizens who are trying to maintain their own homes.

**COMMISSIONER (Miller Ayre):** Is there social housing of any kind?

**MAYOR FRED BEST:** A bit of it here in Clarendville but no great extent. Our biggest thing as far as housing is concerned, and we're fortunate in that regard, in that we have some local businessman who's put a great deal of effort into building houses. And I'd say in the last year one firm here has produced a couple of hundred houses, but he does try to keep them in a range, but that enticement is still there to go to high end. And it's a provincial problem rather than just a local problem. It is not only happening in Clarendville, it is happening all over. And not only happening in Newfoundland, it is happening in Nova Scotia and all over the world. But still because it is everywhere else, it is not a problem that's going to go away. It is a problem that we, as individuals who's got concerns, should try to deal with it.

**COMMISSIONER (Miller Ayre):** Yeah. So I guess you'd be talking to the province and so on?

**MAYOR FRED BEST:** There are movements underway here in the Clarendville area. There are discussions. I think there was a meeting one day last week with one of the boards here to try to tackle the problem. But answers are not easy to come by because you can't fault the developer for trying to make money, and then on the other end, how do you fill that gap which is down there?

**COMMISSIONER (Miller Ayre):** Okay, thank you. Geoff, did you do traffic studies or anything of that kind, the capacity studies looking at the roads and what you would have anticipated? Have you got any sense of what you were able, what conclusions you might have drawn on whether you get a lot of cars going back to St. John's? What is your conclusion on these issues?

**GEOFF PARKER:** Well, I think our conclusion was, as the man said, there is already some peaks in the traffic when the shift changes at the refinery, for instance, but, no doubt, the traffic will increase with the Hebron Project. One of the things we've done is to establish communications with the RCMP to identify ways to collaborate on highway safety. I'm not aware of any specific studies on traffic. I'll check on that for you.

**COMMISSIONER (Miller Ayre):** No, I suppose it gets right down to detail, I don't know. If your shift changes, if there is such a thing as you have stoplights and things like that occur when shifts are going off and so on and so forth. I just don't know. I can't remember.

**GEOFF PARKER:** Well some locations in the world we've done that, where we've actually worked with the local towns to put up specific stoplights, if we identify a problem area.

**COMMISSIONER (Miller Ayre):** Even if they enters the Bull Arm or something for them.

**GEOFF PARKER:** Because as I said before, we obviously spend a lot of time on safety in the workplace but we're just as concerned about everybody getting to and from the workplace. And I know in the last project we did work with the local area and we put up a traffic light in a

place where it was going to be needed. So I think that's the sort of thing we'd look at. I think some of the other initiatives around bussing, as we talked about before, can also help on the traffic side.

**COMMISSIONER (Miller Ayre):** Yes. We've discussed in some of these previous sessions, Fred, the training issue. Is College of the North Atlantic here? Do you have?

**MAYOR FRED BEST:** Yes.

**COMMISSIONER (Miller Ayre):** Is that a fairly full program here now? Are there a lot of young people involved?

**MAYOR FRED BEST:** I'm not sure what the core programs are. I notice there is representatives from The College of the North Atlantic here, if anyone wanted to comment on it.

**COMMISSIONER (Miller Ayre):** Maybe they can, yes. Well, we can ask, they can present. They can actually say, we have a session coming up shortly, I think when the mayor is finished actually. When you're finished, when I let you go, so to speak. You haven't been let go yet. No one is worried about, you only have to worry about getting let go during an election. (Laughter all around).

**MAYOR FRED BEST:** Normally.

**COMMISSIONER (Miller Ayre):** Well, I think that we're pretty much at the end. I don't know if you have any other comments you'd like to make or?

**MAYOR FRED BEST:** No. Just to reassert our confidence in this project and to say that our relationship with the company up to this point has been very, very positive. I have to repeat again that only two months ago the officials of the company were here and presented a hovercraft to our fire department which I can tell you is greatly appreciated, and I think when some of the officials are in town, I know we have a group of engineers working here on one our public buildings, 25 or 30, and I think they're enjoying their stay in town. So it's starting off on a very positive note and I anticipate that this is going to continue.

**COMMISSIONER (Miller Ayre):** Okay, thank you.

**GEOFF PARKER:** Yes, I was just going to reiterate that and I think a lot of these issues, particularly some of the broader social issues, a lot of it is about communication. So if we can communicate what we see and the town what they see, and I think we've established those communication channels at several levels. So, to me that's the first step in trying to manage these issues.

**COMMISSIONER (Miller Ayre):** Okay, thank you. We're going to have a session now. I

think I may need Shannon's guidance on who. I know we have, I think, one speaker registered. Mr. Clerk has it already.

**ED FORAN:** Okay.

**COMMISSIONER (Miller Ayre):** And if there is someone from The College of the North Atlantic who wants to comment afterwards, just informally and quickly you can sort of put your head around the numbers and so on and then we'll ....

**PAUL TILLEY(?):** name on the list (Inaudible).

**COMMISSIONER (Miller Ayre):** All right.

**ED FORAN:** All right. We have Roland Hedderson here today, and Roland wishes to speak on behalf of, I believe, the FFAW and the 3L fish harvesters. So, Roland, up to the microphone here on the floor, if you would.

**ROLAND HEDDERSON:** Thank you for giving me an opportunity to speak there. Now I was out driving out, shovelling out my driveway. I didn't know this was on the go. So I heard it on VOICOM and I was all fired up, now all the fire is gone. (Laughter all around). But anyway, no, well. Just a little bit of background on myself. I fished for 28 years myself and I noticed Geoff when he was making his speech there, he did not speak of the fishery at all. And I just want to let everybody know that we have a fishery on the go and there has been supplying work for this province for eons. And you did say you got a 30-year span for this project, which is good. I don't disagree with all the work it's going to create and everything else, but what do you do with our fishermen that's being displaced out there on the Grand Banks?

This summer there was a couple of seismic vessels on the go out there. I just came from a meeting with 3L fishermen that were really ticked off with, they were out there shrimp fishing this summer and they had a call saying move out of the way. We're coming through.

And now we have, as an organization, been, I guess, doing work with the oil industry through One Ocean and but it's still, it's far from adequate to, I guess, look at the concerns of fishermen out there. I deal, I'm on the ground kind of fellow, I'm an in-the-field worker and I deal with fishermen every day, and they come into the wharf, they are totally pissed off with what's happening out there. Like they said, like I was saying a few minutes ago about the shrimp fishermen out there in 3L, no doubt we have trouble with the 3L stock right now in shrimp, but they were getting up to 200 bags of tow and when they had to move to one side. Normally when fish is displaced they gather up somewhere else within a mile or two miles of that area, but since that seismic vessel came through the summer, there has been no catches in 3L on shrimp. And it's a big concern of the fishermen, and, of course, the plant workers and everybody else connected. As you know, there is something like 22,000 people in Newfoundland working in the fishery directly.

So, it's nice to know. I hear the communities that they're going to benefit and they're forming organizations to deal directly with the oil industry. Well, I feel we've been, for the past 10, 15, years, dealing directly with the oil industry but seemed like things still just go on. You have your say and walk away and still nothing gets done. I don't think there is not enough money directed towards the effects of the oil industry on our fishery. I mean, like you say, 30 years that's only a blip in our history, and after you fellows are gone our fishermen got to be out there on the banks and I'm hoping that you leave it in a state better than it's out there now.

And I also deal with the Placentia Bay and the Placentia Bay traffic and certainly the fishermen in Placentia Bay, Fortune Bay. Oil activity down there is really concerning us, and some of the spills, we know we got oil, it's going to be spilled. It's when, it's not if. It's when is it going to happen. And we know it's going to happen. And we have been, I guess, going to the oil industry. We need, fishermen are used to the water. We know how to handle boats. We know how to handle gear. We should be well-trained in any oil spills or oil spill, I guess, containment. I know that we got, we got all our booms, oil booms and stuff like that. It is all stored in Donovan's Industrial Park. It shouldn't be there. It should be out in strategic places, around Placentia Bay, in particular, where it can be quickly grabbed by fishermen and containment done fairly quickly. And I could go on forever, but, anyway, you know, I just want to, I know that Mr. McCurdy will probably be making a presentation later on. I didn't know that until I came in the room and Kim here advised me that he would be making a presentation.

But I just want to let you know that I worked with a lot of fishermen and they're really disappointed in maybe our provincial government, as well as our federal government, as well as the oil industry that there should be more studies done into the effects of what's happening out there. We're told that it's seismic don't make a difference. It might disperse fish, that sort of thing, but we don't know. We got equipment now, cameras that we can put on the bottom prior to a seismic survey and after a seismic survey, and we can see. If there is dead fish on the bottom then we know there is a problem. If they are not there, well, then, we know it properly got dispersed. And what are the effects? There should be more money put towards the fishery. Thank you.

**COMMISSIONER (Miller Ayre):** Thanks Roland, I think you've made some excellence points. And as you do say, Earle will be speaking later. Well, he better be sharp if he's going to better you. (Laughter all around). I was delighted with the points you've made here and brought some real issues for people who are on the ground. Would you just explain exactly where 3L is so that we understand it? This is all in the area where the rigs are, where transportation takes, where fishing? Could you just explain that a little bit?

**ROLAND HEDDERSON:** Yes. 3L takes in the Grand Banks. 3L runs from Cape Bonavista all the way around to Cape Race there or. Yeah.

**COMMISSIONER (Miller Ayre):** So basically it covers the whole area?

**ROLAND HEDDERSON:** Yeah, it covers ....

**COMMISSIONER (Miller Ayre):** Exploration plus where the platforms are.

**ROLAND HEDDERSON:** Yeah. St. Mary's Bay around to Bonavista Bay.

**COMMISSIONER (Miller Ayre):** Yes. So you're in direct communications.

**ROLAND HEDDERSON:** Well, you got the 3L crab fleet and the shrimp fleet fish out there, as well as the cod, should it come back. I mean, basically, all of those areas that right now got platforms is one of the prime cod fishing grounds for, I'll say, the Avalon Peninsula. Those guys, that was their history there on that grounds and it's just taken away from them. Nothing said. Nobody has, no compensations says, boys, get out of the way, we're coming in. And it's been totally supported by our provincial government, federal government and we're just sitting here. And I guess that's where the frustration is building up with the fishermen. They're saying, okay, there is another rig going up. We got to move X number of miles away from this one and then we got to move and nobody is saying anything. We're just being driven back, driven back, and then this past year three seismic surveys were done and where they went through fishermen are saying the fish is gone since, so.

**COMMISSIONER (Miller Ayre):** Do you know if any of, if FFAW and Earle, have there been some studies done, do you know? Or is most of the information still anecdotal?

**ROLAND HEDDERSON:** I guess most of it is anecdotal. I don't think, I think there was studies done on seismic effects on fish, but it was very scattery and nothing to what it should be done, put it that way. We got the technology today. I think most of the studies was done years ago, and, certainly, we got technology today that can do a dam site better job.

**COMMISSIONER (Miller Ayre):** Well, we can follow up a little bit on this and you'll probably be talking to Earle and indicate that you raised some of these questions, and we'll see if we can find out a bit more information and get at it then as well.

**ROLAND HEDDERSON:** Yes.

**COMMISSIONER (Miller Ayre):** So I think we can do that.

**ROLAND HEDDERSON:** Yeah. I just want to say that certainly we had a council meeting. That's the entire fishing industry, we have our own council. And certainly it was a big issue at our council last week, and they're gunning for you guys certainly. They want some meetings coming up this winter and not to see happen what happened last summer. And they got their eyes on you guys.

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

**ROLAND HEDDERSON:** Okay, bye.

**COMMISSIONER (Miller Ayre):** Yes, go ahead.

**ED FORAN:** Okay. So thanks for Roland again. So, now I think we have an individual here in the front with The College of the North Atlantic. So you could identify yourself please so we have it on the transcript?

**PAUL TILLEY:** Yes, Paul Tilley, College of the North Atlantic, Clarenville campus. And I'm not really here today to represent the college, but I am an employee and I have a vested interest in the college and I have a vested interest in this town. So I'm speaking on that regard.

Just to give you some background on Clarenville campus, Clarenville campus is a rather small campus. It has about 200 students. It has seven or eight programs, depending on how you slice it. We have programs in business and office administration, which is my forte. We have programs in adult basic education as well as transfer, a bridging program called CAS which takes students who do not meet the requirements to get into the college, into the college system. So it provides that bridge.

We also have nursing which is the nursing assistant. Now it is called practical nursing. And most importantly, I would suggest from the perspective of construction, we have the piping trades center and the carpentry center. And the piping trade center in Clarenville is a state-of-the-art facility that has had a considerable investment in the last number of years.

In addition to all of the on-campus programs at Clarenville campus, Clarenville campus is the host of the distributed learning program at the college. And if we add it together in terms of the number of students that are operated at a distance, distributed learning is the second largest campus in the college. So, we're a small campus in one regard and we are a large campus in another, and we are a very progressive campus. We've had a lot of interesting projects over the last 20 years. Starting distributed learning, for example, came out of Clarenville campus. And we're interested in ensuring that our students take advantage or can take advantage of all the opportunities that present to them. So, for example, in my area we have a very strong, SIFE program, which is Students in Free Enterprise. You're probably familiar with the SIFE team at, SIFE Memorial. We're world champions. Our group have won numerous awards and done very well. So we have some great students, great future employees, I should say.

So just in terms of recommendations to the Commission as well as ExxonMobil and the other partners, one of the things I would like to stress is probably from the most important point of view is communication. I am always impressed or depressed by the number of students who we get come in, who have no idea of the opportunity that is before them with these projects. And I can't understand for the life of me how they don't know more about it. And I think if the onus is on us, and what I mean by us is the province, the companies, the college, the

school system, to ensure that students know the opportunities and can make the decisions in school to get the necessary skills to meet, as Mayor Best has pointed out, the skill shortage, because we do have a definite skill shortage, and I think if we could communication that issue to people it would do us a big service in the long run. Okay. So that's the first issue.

The second issue, again, and I know Mayor Synyard brought this issue up in Marystown, and that is the apprenticeship issue with regards to trades. I listen to students all the time. We have many apprentices come back and they always tell me they have a hard time finding work in Newfoundland, or more to the point, apprenticeshipable work so that they can receive the necessary hours in which to go on to become a journeymen. And again, the onus is on companies, in particular these projects that are going on, to help facilitate that because these, again, are your future employees. And I know this is a four-year or five-year build, but, realistically, these are going to be your employers into the future and you're going to be operating at that platform for a long time and other platforms like it, and hopefully this is we're into a series of projects as opposed to just one. So again, ensuring that the apprenticeship program is well taken care of is another thing.

We have put a significant investment into distance learning, and I think that that could pay off for industry as well. If industry were, again, to partner with - and what I mean by distance learning, distance learning at the college, the university and the schools are all under one network. And I think that that is an opportunity that companies can avail of, particularly from the point of view of post, you have your employee and you want to upgrade them. How can they do it? Come to the college, distance learning. The employee gets to continue working for you but the skills are upgraded. So certainly, and, again, the mayor mentioned legacy. That's a definite legacy in terms of those things.

So, the final point I just wanted to make was the old HR requirements, and this is particularly from the Hebron Commission. One of the challenges that we have in the college is keeping instructors. As opportunities present themselves many instructors are going to say, well, I have a great opportunity to actually work in the industry, which in one way is a good thing because it keeps their skills fresh and the like, on the other hand it provides challenges and presents challenges to organizations like the college to keep skilled employees, keep skilled instructors who ultimately are .... We can put infrastructure in place. We throw money at it, we can build a building easily. But putting the people in place who can actually teach this and ensure that they are well compensated for that, for sharing their skills and, again, long-term benefit that would come out of that is something that needs to be looked at.

And again, I think cooperation is the key to all these things. Working with the college, the university, organizations like the Harris Centre, the development boards, many of the groups who have spoken here today. The Suppliers Development Alliance, NOIA, we can all work together to make this happen because ultimately it is our future, our collective futures, our corporate futures, provincial futures, mine and your futures to ensure that we do this. Thank you.

**COMMISSIONER (Miller Ayre):** Well, some very interesting points I think you've brought up, and we're certainly taking note of the points you've made. A couple of questions I just might ask you. Do you have a sense of how many of the graduates that you have some consciousness of right now are actually working in their field of study? Have you got any sense of what you're suggesting?

**PAUL TILLEY:** Oh, Mr. Ayre, yes, that is something that, again, in terms of communication. Most of our graduates are working in their field. In fact, most of our graduates coming out of, particularly trades programs now, have a choice. Now, are they working in Newfoundland? If you were asking me that I would say I'm not sure if that's as high as what I would like, but we have had, you know, you hear things and you hear students in the hallway in the springtime and I hear students go by and say I got three or four job offers. What am I going to do? I've never heard that before. So frankly, yes, our students, and I know from our business point of view, every single one of our business students are working and they're darn good students. I will tell you that now. They are darn good students and they are darn good employees wherever they're working. And I get feedback in town all the time. You guys got some darn good students and they are darn good employees. And we don't have a serious issue with regards to employability of our students because I think you have a skill shortage. They are going out with the skills. We're ensuring they got those skills. And so we can take it that far. Now, industry, what can we do in order to bring it the rest of the way?

**COMMISSIONER (Miller Ayre):** Well, that's the sort of next kind of question here. You say getting the journeyman's red seal and then ultimately access to apprenticeship. That is the key stumbling still, is it?

**PAUL TILLEY:** That is a big challenge for students and it is only in the last few years. Now there have been some changes made that have benefitted. For example, students can go to Alberta now and receive their hours from Alberta, which is great. It benefits our students. You know, I see students come back to do apprenticeships. I see them. I don't teach them directly but I know they're in the hallway because they come back, the same students. Again, they got their hours and they can come back and work towards their journeyman's. It is just unfortunate for the ones who choose, that can't choose to stay here to do it. Some make a choice to go to Alberta. The money is good and the opportunity is good and they can get good hours. That's good. But I know a young man, for example, who I was just speaking to him just before I came here, and he graduated from pipe fitting there last year. Good student, nice young fellow. He wants to stay home. And a lot of people do. We have a lot of students who have family. They may have children. They are not as mobile as economics would point to. Well, economics will say, well, you just move to where the jobs are. Well that's nice in theory but the practical is that we've got a lot of young people here who come to the college, who have lives. And it is challenging for them, and it is not their fault, it is challenging for them to find a good job here that will put food on their table and create a good solid career base for them and their families.

**COMMISSIONER (Miller Ayre):** And that links to the journeyman process.

**PAUL TILLEY:** And that links to that directly. Yes, it links directly to that because there is not enough of apprentice positions in the province.

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

**PAUL TILLEY:** And we've got to make it, we have to make it. I don't know if government is going to change that but certainly we're going to have to provide the incentives to industry to provide those opportunities for our students. And again, it's a short-term pain in the sense we're going to pay some money to the industry to do this but the benefits, the long-term benefits of 30 years of a career or 35 years of a career for the .... I saw on the news last night, we've got a hundred and some odd of billion dollars in projects. A hundred projects, \$46 billion, that's what it is, in the next few years.

**COMMISSIONER (Miller Ayre):** You got it right on.

**PAUL TILLEY:** And I'm thinking and that's our students. Those are the people who are going to put up those buildings, build those platforms. That's just ten years. We got to put some money into it right now in order to ensure that.

**COMMISSIONER (Miller Ayre):** I mean, is the access to the jobs, is this a union issue or is this an industry issue or? How do you see it?

**PAUL TILLEY:** Yeah, that's someone probably, that's someone who is a lot more qualified than me should answer that. I don't know.

**COMMISSIONER (Miller Ayre):** Well, you're an excellent ambassador of the college and the last thing you said shows you're a good diplomat too. (Laughter all around).

**PAUL TILLEY:** Well, you can ask when some union persons gets up, please ask them that question see what we get.

**COMMISSIONER (Miller Ayre):** Okay, thank you.

**PAUL TILLEY:** Thank you for the opportunity.

**COMMISSIONER (Miller Ayre):** Yes. Well, I think we're now going to have a break, if I understand where we are in the process, because we have a number of people who are going to present who actually can't get here till after, I guess, five o'clock when they finish their jobs they were intending to come here. Because we've had a number of people who didn't show up for the process today due to the conditions, we've now run out of anyone to present for the next possibly an hour. So just a second now. A hand is gone up. A solution is in place or no?

**MARY CLARKE:** Sir, might I have a minute since we have, I just want to say a few words for a moment?

**ED FORAN:** Geoff would like to make ....

**COMMISSIONER (Miller Ayre):** Yes, just a second now. Geoff, go ahead.

**GEOFF PARKER:** Well, we also while the Mayor of Sunnyside is still here. We can talk about the waste management just to close that issue.

**COMMISSIONER (Miller Ayre):** All right. Well, we'll let, we've got a ....

**GEOFF PARKER:** (Inaudible).

**COMMISSIONER (Miller Ayre):** Yes. We will go ahead with this now.

**MARY CLARKE:** Hi I'm Mary Clarke with Women in Resource Development and I didn't come here, as you know, to present but a few things have just come out of the conversation here that I kind of like to add to. If you think getting a job as an apprentice is tough, try getting a job as an apprentice if you're a woman. Really, really, nearly impossible. And these are some of the things that the Women in Resource Development are working to do and to get more women employed and that.

And the other thing I heard about is legacy. Hebron has done a great legacy with Women in Resource Development because they are helping us fix that gap. They have sponsored our program, which was referred to this morning in one of the slides for a program called Techsploration, which the ExxonMobil has been the founding sponsor of for ten years, and we've had over 500 girls through that program.

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

**GEOFF PARKER:** And one of them is mine.

**MARY CLARKE:** And through that this -- one which is his. (Laughter all around). And if it wasn't for the support and the contribution, and I know here in the surrounding area we've had Arnold's Cove school for a number of years, we've had Clarendville middle school, we've had Balboa, a lot of the local schools have been involved in that. And the thing is the legacy is it's in our youth, and Hebron has been very, very good to support our youth through the Techsploration program as well as the other one that we have which is call Girls Exploring Trades and Tech, which is little girls in grade six doing carpentry; building go carts. So these are some of the legacies that may seem small but are huge. I know his daughter, for argument's sake, and I'm going to pick on you for a minute, she was in our, did our GET camp and in grade 6, she did our Techsploration in grade nine, now as a girl, what grade is she in

now, 11?

**GEOFF PARKER:** 11.

**MARY CLARKE:** Grade 11. She's in our program called Techsploration Goes to Work where now she's decided she wants to do geology. We now match her with a one on one to get more support, and it is the same thing for some of the girls that want to do trades because there is a going to be a shortage and we're hoping that people will see that the on-tap resource is woman. And through programs like Techsploration and GET and the sponsorship of the Hebron Project and the Hibernia, and we've got two more projects that they are sponsoring that's going to be announced in the near future, and I just want to commend them for it and take a minute to do that. Thank you.

**COMMISSIONER (Miller Ayre):** Do you want to go ahead, Geoff, with some of those comments you might have on what we were discussing earlier?

**GEOFF PARKER:** We would just like to close on the waste disposal area just to ....

**COMMISSIONER (Miller Ayre):** We used to call them dumps here. (Laughter all around).

**GEOFF PARKER:** I'm also trying to become a diplomat. Okay.

**DAVE McCURDY:** Just very briefly here. The waste management of the province is changing as the government implements their provincial-wide management strategy. So it was brought up at present, Sunnyside waste disposal site is certified by the provincial government for all waste except for the hazardous waste. And the Bull Arm site waste is managed by KKC, and at present it was mentioned they are used Sunnyside site. We expect that to continue as long as the site has the appropriate permits in place to be able to do that. A Request for Proposal has been put forward for long-term waste management and hopefully that will be able to fit in there.

The Eastern Waste Management is the new regional waste management authority for the area and it has not yet finalized its plans for this area, which is, I believe, what the mayor was kind of reflecting on the state of matters right now.

And just as a note, there is only one authorized company in the province to handle hazardous waste and that was mentioned, and that's New Alta. So that's the only one that can handle hazardous waste.

**COMMISSIONER (Miller Ayre):** In a construction site such as yours would there be a lot of hazardous waste, just as a matter of interest? No.

**KEN CAMPBELL:** Oils, paints, solvents ... (mic not turned on).

**COMMISSIONER (Miller Ayre):** I mean, stuff we're all familiar with. It is just could be a fair bit of it at a given time.

**GEOFF PARKER:** And just for the transcript, this is Ken Campbell, the Bull Arm Site Manager, Shannon.

**COMMISSIONER (Miller Ayre):** That's true. Speaking from the audience, yes. Part of the team.

**ED FORAN:** Ken, for the transcript if you to just want to go to the mic then we'll pick it up for transcript. If you want to make that comment.

**KEN CAMPBELL:** At this point we don't anticipate that much. I mean, it is not like we're a refinery or anything where we're going to be generating a lot of hazardous materials and using a lot of hazardous chemicals. It's mostly hydraulic oils for the vehicles, diesel fuel, paints that we have out there for the paint shop once we start using in that facilities. There are other things that we do have to dispose after that would probably fall outside of the hazardous, and most of that falls under the construction debris that then we would end up hauling off to the waste site such as Sunnyside.

**COMMISSIONER (Miller Ayre):** Okay, thank you very much.

**KEN CAMPBELL:** All right.

**COMMISSIONER (Miller Ayre):** Okay. I think that's it then. We'll break for 45 minutes or an hour. Shannon, you're going to, you haven't heard anything, have you, about when there might? Nothing.

**SHANNON LEWIS-SIMPSON:** I expect that we will come back here quarter to five.

**COMMISSIONER (Miller Ayre):** Quarter to five?

**SHANNON LEWIS-SIMPSON:** (Inaudible).

**COMMISSIONER (Miller Ayre):** You think we got a shot at that. Okay, good.

**SHANNON LEWIS-SIMPSON:** I would suggest that.

**COMMISSIONER (Miller Ayre):** All right, thank you.

**(Coffee Break)**

**COMMISSIONER (Miller Ayre):** We'll go ahead. All right, Mr. Clerk, if you want to introduce our next presenters.

**ED FORAN:** I will, Mr. Commissioner. So, we have here, representing the Neighbourhood of Friends Family Resource Centre, Bernice Dyke and Louise Newell. We have their document. It's on our website, and we thank them for their submission, and we'll now let them make their presentation to the Commission.

**LOUISE NEWELL:** Thank you. I'm Louise Newell. I am the Coordinator with the Family Resource Center. The Neighbourhood of Friends Family Resource Center is a not-for-profit organization, and we receive our funding from the province under the Early Childhood Development Initiative. We have recently been then transitioned from Eastern Health to the newly developed Child Youth and Family Services Department. The Neighbourhood of Friends is committed to providing programs and services which nurture children and their families in the Clarendville area, and we have some sites in outlying areas. Our goal is to continue to provide safe, non-judgmental and culturally sensitive community-based programs which will encourage healthy prenatal and child development and enhance family relationships and interaction.

We currently operate sites: the hub site here in Clarendville; a site in Arnold's Cove; one in Come-By-Chance; one in Swift Current; one in South West Arm; one in Random Island; and a second location here in Clarendville as well. The Hebron Project has had, and will continue to have, an effect on our programs and staff and families. We love to see new participants coming to our program and make every effort to make it possible for them to have a positive experience and also the staff have a positive experience as well.

In the past few weeks we have seen an increase on numbers of new families using three of our sites. Many of these new participants are families who have stated they have relocated for employment with the Hebron Project. We predict a further demand on our services as more families move to the area for this project. The new families has also indicated that they have no family support here. They are baffled at the lack of childcare, and that our center is the main source of socialization for their young children. As you can appreciate, we have to increase the number of weekly programs to accommodate higher numbers with no increase in staff. It will cause extra work for our staff, not only on their day-to-day preparation, but also in their ability to ensure that these new families get the attention they need and deserve.

I believe it takes exceptional individuals to work in an early childhood atmosphere, a person who is very compassionate. This is true in our organization because staff sometimes use their own unpaid time to make the community a more pleasant place for all the families that move to the area.

Recently, one of our staff joined a weekend activity so she could introduce the new parents who come to our group to others in the community. To be quite honest, we could use another position just to address concerns of parents and to get them more involved in the community.

As a part of our programming, we also offer a Healthy Baby Club. This is a prenatal program for pregnant women who are at risk of having low birthrate babies. In this program, we offer prenatal support, as well as supplements of milk, fruit and eggs. The most determining factor for entrance into this program is low income. Being pregnant with low income is hard enough, but recently we have discovered that some of our participants are facing homelessness because of the high increases in rent. So, I'm going to let Bernice ... Bernice was good enough to offer to help me if I couldn't do it myself, so I'm going to let her do some.

**BERNICE DYKE:** We, and by "we" I mean the Family Resource Center have also assisted the Regional Action Committee on Housing, that's REACH, by sponsoring a contract to hire a new Housing Support Worker. During the Housing Support Worker's orientation, Louise, who is the Coordinator, was asked by one of our program facilitators if she could speak to some parents before the programming started, and there were actually three moms there. So she excused herself, and she went out to speak with them, and all three of these ladies had been given notices by their landlords just that week. One was asked to move out that very next month. Her notice was backdated by two months when she had received it. Another was told that her rent was increasing from \$650.00 a month to \$1,600.00 a month, and that's a pretty big increase. The other was advised to look for other premises to rent because "she wouldn't be able to afford the rent."

So, landlords, I guess it's logical. There's a boom and they can make money, so it's only logical they want to do that. Unfortunately, families are suffering. It's sometimes people are not necessarily the best tenants and the rent increase can be a way of forcing those people out, but these three moms are good moms. They are good families. All three of them were long-term tenants. There had never been any problems. They were content in their homes, and in one particular case, this was the only home the children had ever known. Unfortunately, the Housing Support Worker couldn't help these families. Her position is mostly focused on individuals with complex needs. So, the families turn to our staff for help, and these are some of the things that we did to try to help them.

One of the program facilitators called in a favour from a friend and asked if she could provide housing for one of the families. Louise, the Coordinator, spoke with a representative from Newfoundland and Labrador Housing to try to get one of the families in the subsidized housing. I called our landlord because he has other rental properties to see if he had something that would be available for one of those families. We then copied the appropriate section of the Tenancy Act and explained to these three ladies what their rights would be before, so they could hopefully do something before they were forced out of their homes. With many hours of dedication from the staff, the end result was less than we had hoped. One family did find a person who showed some compassion and rented to them at a higher rate, but it was still a little bit more manageable than what was offered initially. Another family was allowed to stay in their rental unit, as the landlord agreed to delay the increase, but that's only a temporary solution. The third family, sadly, was forced to leave the area. I believe they are now in St. John's, and it broke our hearts because the mom came by to say goodbye and she had tears in her eyes. We had tears in ours, and their youngest child

couldn't understand why he had to leave the only home he had ever known. Anyway, we still miss them.

The Family Resource Center is wondering if we should be concerned about our upcoming lease renewal ourselves. We fear that with all the rent increases since the Hebron Project began, we will be forced out of our current location. We're on a fixed budget. This is the only space currently in this area that's suitable for our needs, and we've already outgrown two other spaces. We're growing in leaps and bounds. Being a not-for-profit on a fixed budget, we cannot absorb a rent increase. If we were unable to secure suitable space, currently some 725 participants would be negatively affected.

I know there are positive outcomes from having this project in the area, but my greatest concern is, and I should say, our greatest concern, the staff, the Board of Directors, is at what cost to our most at-risk population, young parents, children, pregnant moms. Are we going to force families away from the area and when this project is over, then when it's too late, we're going to realize what we have done. Thank you for your time.

**COMMISSIONER (Miller Ayre):** Thank you very much. You're both finished?

**BERNICE DYKE:** Yes.

**COMMISSIONER (Miller Ayre):** You're not -- it's not back to you? No.

**BERNICE DYKE:** We're done.

**COMMISSIONER (Miller Ayre):** Okay. Thank you. Okay. Bernice and Louise, I just, I do have a few questions to help me understand a bit more. Are there many other organizations -- I mean, has this happened, has Eastern Health established organizations like yours in other centers around the island? Is this is a ....

**LOUISE NEWELL:** Yes. There is.

**COMMISSIONER (Miller Ayre):** So, when you meet with those, with those other centers, how many would there be roughly? I mean, there is a sort of Grand Falls, Gander, what?

**LOUISE NEWELL:** With the federally funded ones, provincially funded and the military family resource centers, I think, I'm not sure, it's over 20, I think.

**COMMISSIONER (Miller Ayre):** All around the island?

**LOUISE NEWELL:** Yes.

**COMMISSIONER (Miller Ayre):** I see. Okay. So, do you know where your budget stands relative to theirs?

**LOUISE NEWELL:** No, I don't.

**COMMISSIONER (Miller Ayre):** You don't. So, who funds your organization? Is that -- Eastern Health has created you, but have they then shook your hand, did they or did they send you, or are they your funders or?

**BERNICE DYKE:** We're funded through the Provincial Government on the Early Childhood Development Initiative.

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

**BERNICE DYKE:** The new department has just assumed responsibility for the Family Resource Centers in the province.

**LOUISE NEWELL:** The funding was kind of funneled through them. They're not, they're not really our funding partners as such. Like, you don't get annual increases or anything like that, right. There's some Family Resource Centers went so long as 10 years with no increase.

**COMMISSIONER (Miller Ayre):** So, there's no one who'd say, well look, you're living in an area where there's been a big population increase or, in your case, next to an area where there's a lot more people involved. It may not go on forever, but there you are faced with all these additional problems, so there's no one who can look into a pot and organize to shake it up a bit or anything?

**LOUISE NEWELL:** I can't say that they wouldn't.

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

**LOUISE NEWELL:** But I don't know if, you know, if that would be doable or not.

**COMMISSIONER (Miller Ayre):** Yes. Because it seems very critical what you're doing and the situation has to be only getting worse, right. Are there any more plans for subsidized homes?

**LOUISE NEWELL:** Well, there's something else that we were, as a Family Resource Center, our Board of Directors is now looking at the possibility of starting some childcare centers. Arnold's Cove was one area and Clarendville was another area when we did the Needs Assessment, but that is a long process. Like, I mean, it's taken some two, three years to get it off the ground, so I'm not sure. And again, are we going to get accurate data if we're asking because there's an influx in people, say, in the Clarendville area because of Hebron, who knows what 10 years down the road is going to be, right. You know, I don't know how they would look at that, right.

**COMMISSIONER (Miller Ayre):** But if there's a critical problem for three or four or five years,

there would be something that hopefully someone would look at. You know, it's, I mean, 725 people, you say would be directly affected if -

**LOUISE NEWELL:** That's how many -

**COMMISSIONER (Miller Ayre):** So, that's a function of people who've come to you, not necessarily with problems. I understand all that. Some are just ....

**LOUISE NEWELL:** No, no, no. May be just coming to Play Group for socializing, right?

**COMMISSIONER (Miller Ayre):** Just trying to learn, yeah. So, I mean, to me, the problem is one which you're grappling with something that no one else seems ready to help with at the moment. Do you feel that way or do you think you're getting support? I'm not trying to put words in your mouth. That's up to .....

**LOUISE NEWELL:** I really can't say because, I mean, we weren't given any indication that we would get an increase in budget if our numbers went up.

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

**LOUISE NEWELL:** But our numbers have went up the last two years, right, I mean, in 2009, we had 568 I'm thinking. 2010 we had -

**BERNICE DYKE:** - Six hundred.

**LOUISE NEWELL:** 625, you think. No, 652, and this past, till the end of March, we had 725. Like, last Tuesday, we had four new families join at our one site here in Clarendville. We had a couple of families join at our site in, I think it was Arnold's Cove site. So, we can't say, okay, we're up to 800 and that's what our budget allows for us, so we're stopping there and the next new family can't come in because you can't do that, right.

**BERNICE DYKE:** And actually, 725 is probably not an accurate number because that was based on stats at the fiscal year end in March, wasn't it?.

**COMMISSIONER (Miller Ayre):** Oh, I see, yeah. So it's probably gone up, but the ....

**BERNICE DYKE:** Yes.

**COMMISSIONER (Miller Ayre):** Just to give me a sense of it, now I don't want information about the folks who came to you recently, but typically, what kind of income levels, or the mayor was talking about income levels that, where these problems arise. Are there housing

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**BERNICE DYKE:** (Inaudible).

**COMMISSIONER (Miller Ayre):** So, yeah, okay. So, it depends, really, on what the money is committed to in other areas.

**BERNICE DYKE:** Yes.

**COMMISSIONER (Miller Ayre):** But he said there were people whose annual income, you know, they're concerned about people whose annual income might only be 15,000 or 20,000 or 25 but from all sources. Is this ....

**LOUISE NEWELL:** Like, one of these moms that we've talked about in our group was a working mom.

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

**LOUISE NEWELL:** Right? So, she can't afford. She's a mom with two children, and she can't afford to go from 620. I wouldn't be able to go from \$625.00 a month to 1,600. Right?

**COMMISSIONER (Miller Ayre):** No. I don't know who would, frankly. I mean, if you were at the best number where you could afford even close to it at 650, I mean that's almost three times, but it's not three times as much, but it's well up there, so. And would there be a lot of single mothers involved, or is this typical -

**LOUISE NEWELL:** No, not necessarily.

**COMMISSIONER (Miller Ayre):** Could be quite common.

**LOUISE NEWELL:** Could be a family.

**COMMISSIONER (Miller Ayre):** Yes, a lot of ....

**LOUISE NEWELL:** Like, we've got families that mom, dad. Like, Bernice went to the post office one morning and the missus at the post office told her that that week, and that was like, on Wednesday, so far that week she had 13 people come in for change of address cards because they were moving outside of Clarendville because they can't afford to live here.

**BERNICE DYKE:** That was just casual conversation at the post office.

**COMMISSIONER (Miller Ayre):** Yeah. Yeah. So, well, I mean I really feel for what you must go through every week, I have to say.

**BERNICE DYKE:** I don't like knowing that there's someone come in and we may -- because lots of times people won't turn to Mental Health or Child Youth and Family Services as a social,

you know, turn to a social worker, where they would come in and sit down and talk to somebody in our office because we are seen at the grass root. They don't see us as a threat. And, you know, I had a single dad come in the other day, someone that I worked with when I was on Moores Road, some six years ago. And he come in and he said, do you remember me, and I said, yes. He said, do you have a few minutes that I could talk to you, and I said, sure. And so, he just wanted to sit and talk about being a single dad, right. So, I would hate to know that somebody was coming through our door and we had to turn them away because we've got more people than we can handle, right. And we are doing okay. We were able to -- you wish that you could do more, but we were able to -- but, like, they say -- I don't know if the numbers are correct that I'm hearing. They're saying, like, 2 to 3,000 more people would be coming into this area. So, if only 200 of them had children, we could possibly have a boom of 5 to 600 people.

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

**LOUISE NEWELL:** Right?

**COMMISSIONER (Miller Ayre):** Well, I think you're right to come here and express your problems and let us know exactly what's happening on the ground. And I think we'll take a look at this and see at least from terms of our report, we can indicate what it is. And there are lots of -- you're doing lot of things which are completely oriented on the side of mothers and females. There's a diversity issue here. I don't know what there is, but this is not something that Hebron can directly. But I'm sure you've encountered this. You've encountered -- these are problems that get a little bit worse the economic pressures occur.

**GEOFF PARKER:** Yeah, it is. And in the ideal world, the additional province revenues would flow on down to help the, the lesser-privileged people, but it also reminds me again of why we put so much energy into supporting organizations like the United Way and Habitat for Humanity who, you know, at least that's something we can do in terms of our time and our money to try and help some of these at-risk people. So, we really appreciate all the work that you do as well.

**LOUISE NEWELL:** Thank you.

**COMMISSIONER (Miller Ayre):** So, I mean, I think there's -- are there childcare facilities planned at all in the community, do you know?

**LOUISE NEWELL:** It is my understanding that there is a gentleman looking at one. I don't know where he's to with it. I don't think -- because it's not something that can move fast. It takes -- there's a lot of regulations that has to be taken care of, and I don't think it's something that can move fast, so.

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

**LOUISE NEWELL:** Like, the lady that is across from our center here in Clarendville, she runs a daycare, and at one time she told us that there was 80 on her wait-list.

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

**LOUISE NEWELL:** So, and she's encouraging them. Like, if she's got someone come into her office, she told us at that time she was encouraging them to come over to see us.

**COMMISSIONER (Miller Ayre):** I see. Yes.

**LOUISE NEWELL:** Right?

**COMMISSIONER (Miller Ayre):** Well, you're right at the interface where serious problems occur. So, thank you for being there to help where you can, and all we can say is we'll take note and hand on the information through the process. As you say that very time someone says, explains the problems, it may be and especially as, you know, if the province is getting royalties, and the province's revenue is in positive position, so there's a lot more hope than if the province is in great deficit. Now, someone has to recognize the nature of the problem and work on how to fix it is what you need.

**LOUISE NEWELL:** And we probably would, like, if we had to go looking for it, we probably would. I don't know what the answer would be because we never had to face anything like this before, right.

**COMMISSIONER (Miller Ayre):** Yes. Yes. Well, you're doing the right thing. You say -- you tell everyone you can and you make a lot of noise wherever you can and you appeal to the people in the normal channels at the same time. Well, thank you very much.

**LOUISE NEWELL:** Thank you.

**ED FORAN:** The next group we have is the -- and I'm trying to find the right name for it. It's REACH, which is Regional -

**COMMISSIONER (Miller Ayre):** Action Committee on Housing.

**ED FORAN:** Housing. Okay. Sorry. Regional Action Committee on Housing. And Tracey Coady is representing that group. Tracey, we had a brief statement or summary of what you're going to say, so I guess maybe you have more speaking notes?

**TRACEY COADY:** I do. I never had a chance to do up my complete. Actually, I was at it until midnight last night, so I finally got it ready.

**ED FORAN:** Okay.

**TRACEY COADY:** I'll give you guys just a summary of what my presentation is about.

**ED FORAN:** And do you have more printed copies or just the one copy you're reading from?

**TRACEY COADY:** Just the one, but you can have it when I'm done.

**ED FORAN:** Yes, please. That would be great. Yeah. Yeah. And then what we do then is we put that up on our website so people can -- so again, we're taping the proceeding so there's a transcript of what you said, but people can then quickly download it, and be it Exxon Mobil or anybody else that's involved in this process, all right.

**TRACEY COADY:** Sure.

**COMMISSIONER (Miller Ayre):** You need to push your red button there. Push your button, the red light will come on.

**ED FORAN:** Right. Okay.

**TRACEY COADY:** So, when the red light is one, we're good to go?

**ED FORAN:** We're good to go. Thanks, Tracey.

**COMMISSIONER (Miller Ayre):** When the other red light comes on -- oh well, you don't have it there.

**TRACEY COADY:** Okay. So, good evening everyone. My name is Tracey Coady, like they said. I am the Housing Support Worker for the Clarenville/Bonavista Region. This is a fairly new position which just began in June of this year. This position was created through a partnership between the Regional Action Committee on Housing, also known as the REACH Board and the Neighbourhood of Friends Family Resource Center. This was made possible through funding from the Supportive Living Community Partnership Program, which is provincially funded by the department formerly known as Human Resources Labour and Employment.

My position covers the Clarenville, Bonavista rural secretariat region, and it is one of this, one of eight similar positions strategically located in rural regions across Newfoundland and Labrador. My particular region includes the Bonavista peninsula, Clarenville area and extends to Terra Nova, Swift Current and Long Harbour. As a Housing Support Worker, my job is to help people who are homeless, or at risk of being homeless, find and maintain safe, affordable, stable housing.

As some of you may or may not be aware, trying to find an affordable place to live in this region now is very challenging indeed. Needless to say, my caseload is quickly filling up, and I am very busy, to say the least; hence why you only have a summary instead of the full

presentation.

Since starting this position in June, I've had to help almost 30 people with their housing needs. That is not to say that I found housing for all 30 because, unfortunately, I have not been that lucky. I have been able to secure new housing for nine of these individuals. For some of the others, I was able to help them sustain the places that they were already living in by preventing eviction, working with landlords to help resolve issues with rental arrears, talking landlords into going and cleaning up the mold that was in the apartments so that the tenant can stay there without suffering the health problems that they are currently experiencing, things of that nature. But, however, there are still currently another 16 individuals on my caseload who are in desperate need of affordable housing and more on the way. I actually have four referrals right now I'm waiting to get appointments to see these people, so that will be 20 more looking for housing.

Since the announcement of the Hebron Project, the rent prices in Clarenville and surrounding areas have pretty much gone through the roof. We understand that nearly 3,000 workers will be employed at the Bull Arm Site. While most of these workers will be housing at the on-site camp, it is anticipated that a significant number of new residents to the Clarenville/Arnold's Cove area will seek accommodations in these nearby communities. The anticipation of this influx of new renters is having a dramatic, negative effect on the community. A three-bedroom apartment or house will usually cost anywhere from 1,000 and 3,000 a month right now in this area. I just recently moved home from Alberta myself before taking on this position and much to my surprise, it actually costs more to rent a three-bedroom apartment here in Milton, which is ten minutes away from Clarenville, than it did in Edmonton, Alberta. So, needless to say, I ended up buying a house shortly after, as the money I was paying out for rent turned out to be the exact same price of the cost of a mortgage for a new house. Unfortunately, not everyone can afford to buy their own home, and therefore, there are many people left trying to find an affordable place to rent.

In 2007, according to Statistics Canada, the majority of those in the labour force in the Clarenville/Bonavista region were employed in services and retail, construction and primary industries. Assuming the average wages was less than \$15.00 per hour, the annual gross income would be 32,000 a year. However, most of the employees in these sectors worked less than 38 weeks per year, consequently, the maximum gross income was 25,000. Canada Mortgage and Housing Corporation states that if a family is paying more than 30 percent of his net income on shelter, then they are in core housing need. Thirty percent of 25,000 equates to a maximum monthly rent of 625.

As I have stated, the average rent in the Clarenville/Arnold's Cove area region far exceeded this amount. So, with very little vacancies and very high rents, this is making it very difficult for low to moderate income people to afford a place to live. Some of the rents are so high, that the only people who can afford to rent them is workers from this project or projects like this. So, having said that, if people who are working and receiving low to moderate income are having difficulty affording a place to live, then how are the people who are not working

and who are on income support going to afford a place to live? The answer is, they're not. Or if they are lucky enough to find an affordable place that they can get, it is most likely going to be a very substandard living conditions, which is probably leaky, moldy, unsafe and inadequate and inaccessible as well. The absolute most a person on income support can receive for rent is currently 472, and that is considered the enhanced rent allowance. Not everyone is entitled to that much. Most people would get 372. So, considering most one-bedroom apartments will usually cost anywhere from 600 to 900 per month for rent, this means if someone on income support wants to rent a one-bedroom apartment, then they must use the money that they are giving for food and clothing, things like that, to go towards the rent.

In today's world and especially in this province when we are finally experiencing an economic boom, people should not have to choose between food and rent. Even some bedsitting rooms in the Clarendville area are now renting from anywhere from 750 a month to 1,800 a month, and when I say bedsitting room, I'm talking about a family home who decides to rent out their room. I have called several of those when I got stuck and had people in my office who were homeless that day and had nowhere to go that night, see if we could rent a room until we found them a more secure apartment, private rental situation and some of those rooms are going for 60 bucks a night, and that's living in another person's home. Blows my mind. Even though the rents are outrageous price, I guess we can't really blame the landlords for trying to get the most they can for their apartments because most of the time they can get what they're asking for.

There was actually a local entrepreneur here in the area who has even started his own rental management company, where he rents places for them at the highest rates possible, even higher than the original owner would rent it for themselves. So, for instance, if there's a vacancy comes up in the paper and the owner of this apartment is expecting to, is, wants maybe 700 for rent, this person will call them up and say he could get a thousand for it. So then, of course, he will get a cut of the extra money that he brings in for it and then the landlord will get the extra amount. So, that is making it, again, very hard to find an affordable place to live, but I guess you can't blame him as well for trying, even if it does make my job that much harder.

So, needless to say, if food and shelter is a basic human need, then there are many people in this region who are not even getting their basic needs met. And believe it or not, homelessness does exist in this region. It may not be visible like in the bigger cities, but there is a fair amount of people who are sleeping on other people's couches, which they were referred to as couch surfers or living in places that are not affordable, accessible or adequate. I am seeing an increasing number of people come through my doors that are completely homeless and have nowhere else to go. I've actually had clients had to go to St. John's to a shelter and waited in a shelter until I could find him a place to live. And I was unable to find him an affordable place to live here, so he ended up getting a place in St. John's and he did not want to live in St. John's because this is his home. And, where am I to?

And I would like to note that not all of the homeless clients that I do see in my office are, fit your stereotypical image of a homeless person. Some of them are employed, very well educated people who, through no fault of their own, may have lost their job, become ill, may have experienced a relationship breakdown or simply may have been forced to give up their apartment due to increased rent or eviction notice. With no emergency shelters, transitional housing or subsidized housing available in the area, people really don't have anywhere else to go but to be left homeless.

I have also heard from many people who are at risk of being homeless, as they may have gotten a rent increase or eviction notice from the landlords. Some landlords have even told them up front that they want them out so they could rent to workers who are associated with the oil companies. Some landlords have even tripled the rent from 500 to 1,500. When low or moderate income person or a family is expected to pay this much for rent, all of a sudden when they are used to paying a thousand dollars less, then they have no choice but to move out. If they are unable to find a new place to rent that is more affordable, then they either move in with family or move out of the area altogether to avoid being homeless.

If more and more people move out of the area as a result of not being able to afford to live here anymore, then as a result some businesses will start to lose employees. If the pay is only minimum wage and people cannot afford to work for this wage anymore and still be able to live here comfortably, then some of these businesses or retail stores may end up shutting down as a result of not being able to get workers.

Craig Williams, President and CEO of the Home Builders Association stated, during the 2011 St. John's Housing Forum, that housing choice is critical to attracting and retaining a talented workforce. The solutions to addressing the impacts the Hebron Project is having on the cost, access and availability of housing cannot be the sole responsibility of community-based organizations, municipal governments or industry. The solutions must require open dialogue and collaboration. The Hebron proponents must be part of this dialogue. Some of the other impacts that are likely to happen as a result of this housing issue in this area include increased demands on infrastructure such as roads, increased demands for social support, such as child care and mental health services, and also increase in criminal activity. If people are struggling to keep a roof over their head, then they may turn to illegal activities such as drinking and driving and drug abuse and drug trafficking. This is especially true if the workers camp at the Bull Arm site remains a dry camp.

Furthermore, people are certainly going to be more stressed, which may lead to substance abuse, domestic violence and poor physical and mental health. As a result, hospitals, police, mental health, social service providers and my caseload will see an increase in demand for services which will affect staffing and mean longer wait times for everyone. So, needless to say, the whole community will be affected.

Currently, this region is already seeing a housing shortage and housing crisis, and we have been hearing that this project has not even fully come on stream yet, so I can't even imagine

what it's going to be like when things get even busier. I hate to admit it, but I think a client of mine was right when he said, an economic boom only means that the rich will get richer and the poor will get poorer. Thank you.

**COMMISSIONER (Miller Ayre):** Thank you, Tracey. I mean, you heard the discussion with the organization that preceded you the Family Resource Center and you're both sharing the same problem.

**TRACEY COADY:** Yes, yeah.

**COMMISSIONER (Miller Ayre):** And supporting each other no doubt in trying to find a solution. I mean, off hand, is a lot, would you say that a lot of this is speculation? You're indicating, well, they've done this, but have they actually rented these apartments? I don't know how many workers there are here now that are -- you know, have we reached a point where we -- are there enough people on site now to be driving prices at this stage?

**GEOFF PARKER:** We have about 200 people on site at the moment.

**TRACEY COADY:** Well, I -- oh sorry. Go ahead.

**COMMISSIONER (Miller Ayre):** No, no. And we're not saying that. We're just curious. Are they coming from the Hebron site at the moment or are they .... Do you have any sense of where they're coming from or how much of this might be speculation?

**TRACEY COADY:** Well, I have noticed, when I first started this position in June, that's when all the prices did, well, they were at the highest prices then when I started, but there was absolutely no vacancies when I started this position in June because that's when the shutdown was on the go apparently. And since then, and now that the shutdown has winded down, a lot of the workers have left the area, I am noticing there is more vacancies. However, some landlords have even told me theirself, even though -- like one landlord in particular have five houses for rent right now, but he is still not willing to put the prices down yet because he is just waiting for the next upstream to happen. And he did say, why put them down now and they bring the people in, then you only have to put the rent up afterwards, so.

**COMMISSIONER (Miller Ayre):** Yeah, but still, I guess the question is, how well-informed are some of the people who are making these decisions to up the rent? That's just one thing now.

**TRACEY COADY:** Yes.

**COMMISSIONER (Miller Ayre):** But I mean, it, it may be this is where the contractors and the main contractors could perhaps be helpful on just informing some of these, just helping a little bit on -- this information got out that look, it's not clear that there is going to be the case right now or it's at that level, you know, just...

**GEOFF PARKER:** Yeah, I agree. I think, and as Tracey pointed out, one of our roles is to provide accurate information so that the communities can understand what's coming.

**TRACEY COADY:** Yeah.

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

**GEOFF PARKER:** And try and plan for that. I agree.

**COMMISSIONER (Miller Ayre):** Yeah. I mean, they're going to guess high numbers and hope they're right to some extent.

**TRACEY COADY:** Yes.

**COMMISSIONER (Miller Ayre):** So, it may be, you know -- and not that at the peak we're not saying it would be wrong.

**TRACEY COADY:** That's my cell phone. Sorry.

**COMMISSIONER (Miller Ayre):** Oh, okay. I've had that problem myself.

**TRACEY COADY:** Yes, yes, yes.

**COMMISSIONER (Miller Ayre):** So, I guess the point we're trying to get to is we need to get as much accuracy as we can into the system. I mean, it's not going to eliminate all the needs. I guess you're now completely familiar with the Tenants Act and so on. Are you able to give advice on that? I mean, some -- I mean, it sounded like -- I mean, how does someone -- you know, we heard in the previous example, they backdate the eviction notice or whatever.

**TRACEY COADY:** Yeah.

**COMMISSIONER (Miller Ayre):** I mean, how can you backdate an eviction notice?

**TRACEY COADY:** He did. Well, this particular landlord, because I had this particular tenant call me. Apparently he showed up at her door at seven a.m. in the morning when, of course, you're in bed and groggy, and he give her a rent increase, and he asked for her to sign it, so she signed it. And then anyway, after he had left, she had noticed that he was supposed, according to the Tenants Act, he was supposed to give three months' notice, and this was, I think, mid-July and she had to be out by the end of July, but he had dated it for May. So, that's how he got her signature on it. So then he knew, like, for her to go to the Tenants Act and everything, like, here she signed off on it, so she would have had a hard time trying to prove that it wasn't till May.

**COMMISSIONER (Miller Ayre):** Skulduggery. There was skulduggery there.

**TRACEY COADY:** Yes, yeah. So, that's the extent that they're going to.

**COMMISSIONER (Miller Ayre):** Okay. So, just a second now. We've got more information coming.

**LOUISE NEWELL:** Yeah. I was just wanting to add, the three parents that were to our site, that the landlord told them they had to get out, two of them, sorry, two of the three. He was not able to rent his houses. He wanted them out because he thought he was going to get the big bucks but he was not able to rent it for \$1,600.00.

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

**LOUISE NEWELL:** So, he let one stay there.

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

**LOUISE NEWELL:** But he's telling her it's just a temporary solution. He's going to get the rent, right?

**COMMISSIONER (Miller Ayre):** No. I think we appreciate that the problem you're talking about and the problem is certainly going to grow, and there are people who are behaving in an untoward manner in the sense that they're not, it's really not -- the speculation is out of whack with the reality.

**TRACEY COADY:** It is.

**COMMISSIONER (Miller Ayre):** So, but that, again, that is a short run solution, but it gives you a bit of breathing time to try to figure out some other solutions.

**TRACEY COADY:** Yeah.

**COMMISSIONER (Miller Ayre):** Yeah. Well, I think we've -- I think -- thank you for the presentation.

**TRACEY COADY:** Oh, you're welcome.

**COMMISSIONER (Miller Ayre):** And I thank everyone for being here today. It's been a long day, and I think we need to get people -- you people are driving back this evening?

**GEOFF PARKER:** We're going to go check on the weather first.

**COMMISSIONER (Miller Ayre):** Yes. And, yes, have that safety moment thing, and that's

the end of the session for today. Thank you very much.

**TRACEY COADY:** You're welcome.

**-END OF DAY 4-**