Case Study on Aboriginal Workforce Development

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A global leader

Vale is one of the world’s largest producers of Iron Ore, Iron Ore Pellets, and Nickel.

Operating in more than 30 countries, our business lines include: Bulk Materials (coal, manganese ore and ferroalloys) Base Metals (Ni, Cu, Co, PGM, other precious metals), Fertilizer nutrients (phosphates & potash) and Infrastructure (energy & logistics).
We have an integrated mining, milling and processing operation in Newfoundland & Labrador

- Voisey’s Bay has been operating for more than a decade
- Labrador Operations has set a high safety performance standard
- Industry benchmark in environmental stewardship practices
- Our workforce development efforts have raised the bar and have been recognized nationally
Voisey’s Bay Context

- Voisey’s Bay - greenfield site in remote area of Labrador, with access to shipping
- Overlapping land claims by two Aboriginal groups - the Inuit and Innu of Labrador
- Approximately 5,000 Labrador Inuit located in 5 Inuit communities
  - Nain is about 35 km from the mine site
  - Land claims negotiations began in 1978 and were settled in 2002
- Approximately 2,000 Labrador Innu
  - Natuashish is about 60 km from the mine site
  - Land claim negotiations began in 1978 and were settled in 2011
Aboriginal Participation Strategy

Industry, government and the leadership in the Aboriginal communities, came together to develop a model designed to maximize Aboriginal participation in employment and business opportunities and to build capacity in Aboriginal communities.
Voisey’s Bay Joint Education and Training Authority (JETA)

• Starting in 2002, Vale, the Aboriginal governments, the Government of Canada, and Government of Newfoundland and Labrador worked collaboratively to establish and implement a pilot project to develop an aboriginal workforce for the Voisey’s Bay mine/mill.

• JETA was formed in 2003 as a not-for-profit aboriginal-controlled organization with partners working closely to determine most effective and flexible mechanism to administer training funds provided by Government of Canada.

• JETA’s primary objective was to maximize aboriginal employment and career progression during the construction and initial operational start-up of the Voisey’s Bay mine/mill through support of training and other programs designed to maximize job retention and skills development.

• JETA contracted Vale to provide
  • Workplace experience for Innu, Inuit and Metis
  • Training program delivery at the Voisey’s Bay site
  • Supplemental training and management support
Aboriginal Workforce Development Model

Hiring preference and workforce development policies leveraged construction phase into opportunities for long term aboriginal participation.

- **Pre-Employment Phase**
  - Orientation
  - Mine Safety
  - Trades Helper
  - Cooks Helper
  - WHMIS

- **Construction Phase**
  - Earthworks
  - Security Services
  - Piping
  - Structural Steel
  - Catering

- **Operations Phase**
  - Site Services
  - Mill Operations
  - Mining Operations
Actions Taken

Government of Canada
• Worked with the stakeholders to establish JETA as a pilot program to determine whether a multi-stakeholder aboriginal controlled organizational model could deliver comprehensive training programs effectively

Provincial Government
• Provided expert vocational training advice and resources.

Aboriginal Governments
• Worked with Vale to establish a comprehensive skills inventory of community residents interested in employment.
• Coordinated secondary and post-secondary education and training resources with JETA resources to help deliver seamless interventions for aboriginal learners.
• Provided community infrastructure for administrative, services, classroom and workplace training programs.

Vale
• Established a team to oversee and implement employment and training commitments.
• Embedded commitments in all contracts and negotiated a collective agreement with construction trade unions to align hiring priorities with IBA commitments.
• Developed and delivered training programs targeting entry level operations positions.
• Aligned hiring processes and monitored performance and regularly intervened to ensure commitments were met.
Obstacles

• Because JETA was a multi-stakeholder pilot program, governance and organizational processes had to be established and closely monitored to ensure the mandate was achieved.

• Considerable effort was made to align community expectations with the project’s ability to deliver results.

Enabling Factors

• Extensive community outreach and consultations occurred.

• Vale worked with the aboriginal governments to establish a Search and Recognition Process which focused on identifying individuals in the communities who were interested in pursuing training and employment opportunities. This process aimed to search for potential employees, recognize attained skills and training and undocumented skills.

• A considerable amount of effort was directed towards Career Planning for individuals to help them make informed educational decisions and realistic career choices. In addition resources were directed towards Case Management which focused on developing action plans, tracking participants and verifying training and/or work experience.
Performance Scorecard

Vale is recognized as using best practices in providing training geared to employment for local Aboriginal groups

- Over 1000 Aboriginal people participated in the construction program
- Established a large pool of local residents with skills that matched entry level requirements
- At start-up 48% of the operations workforce was made up of aboriginal people. Today ~ 55% of our total workforce are Innu and Inuit - 90% of whom are from adjacent communities
- Progression of Innu and Inuit workers from entry-level roles to senior operator, supervisor and trainer
Lessons Learned

• There have to be benefits for all involved - all parties must actively want to proceed with a training and workforce development program.

• Empower the community - affected communities must feel that their needs are understood and have been taken into account in planning and executing a workforce development program.

• Build capacity and strong communities - this is important for the Company who needs employees and businesses to take up opportunities.

• The operations group at the site level has to be the core delivery mechanism for practical delivery of benefits.

• Make success in aboriginal human resource commitments critical to the overall success of the operation.
An expansion of the Voisey’s Bay mine capacity is underway. This project will generate employment and business opportunities for the aboriginal communities during the construction phase. Once operational the permanent workforce will double.

Our challenge now is to manage the evolution to an underground operation in a manner that sustains exceptional Aboriginal participation.

Our strategy for success is to build upon the foundation of a proven operation to realize “next generation” aboriginal participation:
- Leverage excellent long term relationships with Aboriginal partners
- Use proven training and workforce development approach
- Reliance on proven and familiar processes will enable quick activation to address timelines
For a world with new values.