CHAMBER CHATTER

Lower Churchill – The Road to Regional Readiness (Part II)

by Brian Fowlow

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Labour Market Readiness

With the announcement of the Lower Churchill Hydroelectric Project, the battle is heightened for skilled workers. Not only will local employers be competing with Muskrat Falls contractors, but also with other provincial and national contractors that are working on other provincial projects such as Vale's hydromet facility in Long Harbour, the Hebron offshore oil project, and the Iron Ore Company of Canada's (IOC) expansion in Labrador West. Activity at the Alberta oil sands and elsewhere are also attracting skills capacity out of the Province.

This anticipated shortage will affect all levels of the labour force, from highly-skilled engineers to front-line service workers. The lack of skilled workers will create higher turnover rates, as well as upward pressure on wage levels and benefit structures. Therefore, effective recruitment and retention strategies will become an important aspect of any SMEs ability to meet the requirements of existing and new customers, whether directly or indirectly related to the Lower Churchill Project. Other than increasing wages and benefits, employers can also employ lower cost strategies to recruit and retain capable workers, including providing opportunities for advancement, flexible work schedules, training that enhances productivity, and lifestyle amenities that benefit workers.

From a training perspective, steps are already being taken to address labour gaps. For example, the Labrador Aboriginal Training Partnership (LATP) was recently created to address skills shortages amongst regional aboriginal groups relating directly to the Lower Churchill Project, as well as other industrial developments. The College of the North Atlantic (CNA) is also working with Nalcor Energy, the province, Atlantic Canada Opportunities Agency (ACOA) and others to develop training initiatives to support the project. A prime example is the upcoming Industrial Trades Orientation Program pilot project, aimed at providing prospective students with the necessary knowledge to decide whether they wish to pursue a career in electrical professions such as Powerline Technician, Industrial Electrician, Industrial Mechanic (Millwright) and Power System Operator.

Regional Community Readiness

In addition to business, overall community preparedness is a major consideration for the Lower Churchill project. In recent years, Happy Valley-Goose Bay has seen notable developments in commercial and residential construction, as well as transportation, healthcare, social and recreational infrastructure to address current requirements. Yet with an anticipated direct project work force of approximately 2,700 at peak, significant planning and development will have to take place in a short period of time if regional municipalities are to be prepared for the inevitable and extensive demands that will be placed on community infrastructure.

The recent announcement of the change in sequencing of the project components has necessitated acceleration in planning and preparations of the Town of Happy Valley-Goose Bay. Council and management have met with Nalcor Energy representatives, as well as a town planner, in order to determine and assist with the challenges this project will create within the community. The municipality points to the lack of resources, both monetary and personnel, as the main challenge to effectively deal with this new time schedule. Issues the Town is facing include road, water and sewer infrastructure, landfill capacity, and emergency services and preparedness.

To gain some perspective on municipal challenges of large-scale economic development, one only need look to Labrador West. With aggressive expansion at IOC, and other iron ore projects in various stages of development, the region is experiencing a significant economic boom. However, prosperity has not come without problems. One glaring example is the significant lack of availability in the housing market and accommodations sector, which has markedly increased real estate pricing, impeded business development, and produced gaps in social and affordable housing.

The Muskrat Falls component of the Lower Churchill Project will also bring with it a pointed increase in commercial traffic, whether by road, air or marine. In light of this added transportation infrastructure burden, the LNCC, in conjunction with ACOA, has begun the process of studying the prefeasibility of a commercial traffic marshalling yard for the region, as it is thought that a facility of this nature would be one important step in managing industrial development demands on the transportation network.

The LNCC, municipality and other stakeholder groups must also work with essential service providers to ensure any capacity issues are addressed prior to project start-up. An illustration of this issue is the recent revelation by Bell Aliant that the company currently has no capacity for additional internet customers in Central Labrador. In today's business world, internet is a fundamental communications tool; therefore, an inadequate response on the part of Bell Aliant will no doubt hinder the Lower Churchill Project, overall economic development, and the success of local SMEs.

Conclusion

As demonstrated, with a project of this magnitude on our doorstep there is truly a lot to ponder and act upon in a short period of time. Although there are still outstanding issues and unanswered questions, the LNCC foresees the potential for major economic benefit in Upper Lake Melville. Now is the time for the entire business community and Labrador as a whole to create the dialogue, think about the next steps, and develop strategies to increase regional preparedness. After all, the Muskrat Falls hydroelectric mega-project is a "Big Land" development, and as Labradorians we must take on the challenge of ensuring that Labrador secures the maximum benefits possible.