

SCHEDULE 12-3

**PROPOSED LETTER OF AGREEMENT
BURNTWOOD/NELSON AGREEMENT**

between

HYDRO PROJECTS MANAGEMENT ASSOCIATION

- and -

ALLIED HYDRO COUNCIL OF MANITOBA

DATED • , 200 .

SCHEDULE 12-3

PROPOSED LETTER OF AGREEMENT

Burntwood/Nelson Agreement

BETWEEN:

**HYDRO PROJECTS MANAGEMENT ASSOCIATION
(hereinafter referred to as the “Association”)**

OF THE FIRST PART

- and -

**ALLIED HYDRO COUNCIL OF MANITOBA
(hereinafter referred to as the “Council”)**

OF THE SECOND PART.

Letter of Agreement No.

Special Measures for the Keeyask generating station project (the “Project”)

WHEREAS on October 7, 2005 the Association and the Council entered into a renewed and revised Collective Bargaining Agreement commonly known as the Burntwood/Nelson Agreement (hereinafter referred to as the “**BNA**”).

AND WHEREAS the Association and the Council recognize that the Project will be owned by a unique partnership (hereinafter called the “Limited Partnership”), consisting of a wholly owned subsidiary of Manitoba Hydro, as general partner, and Manitoba Hydro, and an investment entity owned by Tataskweyak Cree Nation and War Lake First Nation, and investment entities owned by either or both of York Factory First Nation and Fox Lake Cree Nation, as limited partners;

AND WHEREAS in entering into the BNA, the Association and the Council recognized in Letter of Agreement No. 1 that specific projects undertaken under the BNA, and in particular, the Gull (Keeyask) Project, will require, in a project development agreement, special measures to be implemented during construction to facilitate the employment, training, and retention of First Nations members and other Northern Aboriginals which measures might be in conflict with existing BNA provisions relating to referral, recruitment or placement procedures, and/or on-the-job training provisions, and would require an amendment to the BNA in order to be implemented.

AND WHEREAS the Association and Council recognize that the Project will be built in the Split Lake Resource Management Area, in the vicinity of the Tataskweyak

Cree Nation, War Lake First Nation, York Factory First Nation and Fox Lake Cree Nation (hereinafter referred to as the “**KCN**”);

AND WHEREAS the Association and the Council recognize that 25% of the new entrants to the Manitoba labour force are estimated and expected to be Aboriginal people;

AND WHEREAS the Council and the Association recognize that recruitment, referral, placement, training and retention of Aboriginal employees on the Project as members of the Trade Unions comprising the Council is in their mutual and best interest;

AND WHEREAS the Association and the Council recognize that a successful Aboriginal employment strategy requires Aboriginal input and strategic alliances with Aboriginal organizations in its design and implementation and such an employment strategy must recognize and address important Aboriginal cultural issues at all stages in the recruitment, referral, placement, training and retention process;

AND WHEREAS the Council and the Association recognize that a necessary first step towards achieving positive employment outcomes lies in developing qualified Aboriginal employees in an appropriate learning environment and by providing active on-the-job experience as employee and management representatives on a major project;

AND WHEREAS the success of a recruitment, referral, placement, training and retention strategy for Aboriginal employees requires a reliable and accurate selection process that identifies and hires qualified candidates for appropriate positions;

AND WHEREAS the Association and the Council agree that a successful retention strategy for Aboriginal employees requires an inclusive workplace for Aboriginal employees;

NOW THEREFORE to this end, the Association and the Council hereby agree to amend the BNA, in relation to the Gull (Keeyask) Project only, as follows:

1. The Association membership will include the Limited Partnership for the purposes of Article 3.4 of the BNA.
2. The KCN shall appoint two representatives from their communities (one from Tataskweyak Cree Nation or War Lake First Nation, and one from York Factory First Nation or Fox Lake Cree Nation) to the Project site (hereinafter referred to as the “**Keeyask Site Representatives**”) as advisors to the resident Site Manager/Engineer. The Keeyask Representatives shall report to the resident Site Manager/Engineer while on the site, but otherwise shall report to the KCN. The Keeyask Representatives shall be entitled to receive reasonable notice of and to attend pre-job meetings and meetings of any Committee constituted under the BNA for the purposes of the Project in an advisory, non-voting capacity.

3. The Council agrees to appoint a representative to the Advisory Group on Employment (hereinafter called the "AGE") to attend its meetings and to participate in the AGE in accordance with its terms of reference.
4. The Association shall fund the hiring by the Council of an Aboriginal union representative whose function will be to work under the direction of the Council's site representative and within the scope and intent of the AHC mandate for the purposes of, among other things, facilitating union interactions with Aboriginal employees, assisting Aboriginal employees in matters related to discipline directly affecting Aboriginal employees, including assisting with the initiation and advocacy of grievances on behalf of an aggrieved Aboriginal employee, liaising with the major contractors' human relations representatives, liaising with the Keeyask Representative, participating in the AGE and liaising with the Project's third-party retention support provider. One representative of CNP and one representative of both Fox Lake and York Factory will be entitled to participate in the selection process for the hiring of the individual, although the final decision for such hiring will rest with the AHC.
5. The parties agree that no person covered by the BNA shall be subject to discrimination or harassment on the basis of any characteristic referred to in subsection 9(2) of the Human Rights Code of the Province of Manitoba.

The following procedure shall apply regarding claims of discrimination or harassment:

- (a) The complainant shall contact the site representative of the Council or the Council's Aboriginal representative with the particulars of the complaint. The appropriate Council representative shall forthwith speak to the appropriate representative of the contractor to resolve the complaint;
- (b) If the complaint is not resolved to the satisfaction of the complainant, the site representative of the Council shall forthwith contact the site representative of the Association, in writing, outlining the particulars of the complaint. The two site representatives shall then jointly investigate the complaint, utilizing the assistance of anyone they deem appropriate. Once the investigation is complete, each site representative shall issue a report containing their respective findings and recommendations for actions by the contractor. If the findings and recommendations are the same, they may issue the report jointly;
- (c) Discrimination and harassment complaints shall be governed solely by the above procedures and shall not be subject to Grievance/Arbitration. If the above procedures do not resolve the complaint to the satisfaction of the complainant, his/her recourse shall be to the Human Rights Commission under the *Human Rights Code*.

6. An employee may request June 21st off, without pay, in order to celebrate Aboriginal Solidarity Day. The employee shall make the request, in the manner prescribed by the contractor, at least five calendar days prior to June 21st. The request shall be granted unless, in the opinion of the contractor, the job is required to maintain essential services or complete critical activities. Where the request is granted, the employee will not forfeit any time toward his next isolation leave.
7. The parties acknowledge that the Limited Partnership intends to contract with a third-party service provider to provide retention support services to Aboriginal employees on the Project, both on the job site and in the camp site. These services must be provided without interfering with the progress of work on the Project and in compliance with camp site and safety rules.
8. The parties wish to maximize the number of Aboriginal apprentices and trainees and provide them with an opportunity to complete their apprenticeship or training program. The Association and the Council agree that where practical, contractors and their subcontractors shall combine journeypersons/non-trainees on related subcontracts, so that sufficient journeypersons/non-trainees will be available to permit the maximum number of apprentices/trainees pursuant to the applicable journeypersons/non-trainees to crew ratio stipulated in each Appendix to the BNA, for both designated trades and non-designated trades and services.
9. The Council shall encourage its member unions to approach and recruit Aboriginal apprentices, trainees, and journeypersons to be referred for employment on the Project by the member unions where applicable.
10. The parties agree to discuss and review the journeypersons to apprentice/trainee ratios set out in the Appendices to the BNA. Where agreed, in consultation with the KCN, the Association, the Council, the affected Union and the affected contractor will make joint representations to the Province of Manitoba to adjust apprentice ratios in order to maximize the development of Aboriginal employees in the designated trades.
11. Union site representatives will be required to take appropriate cross-cultural sensitivity and awareness training.
12. Notwithstanding the provisions of Article 13.2 to 13.7 inclusive, all candidates who are members of a KCN and are registered with the Province of Manitoba (as the job placement and referral agency for the Project) shall be deemed to be Northern Aboriginals residing within the Churchill/Burntwood/Nelson River Area as described in Article 12.1.1.3(a).
13. In the event of a conflict between this Letter of Agreement and the terms of the Burntwood Nelson Collective Agreement, the terms of this Letter of Agreement shall prevail.

Dated at the City of Winnipeg, in the Province of Manitoba, this _____ day of _____, 2009.

HYDRO PROJECTS MANAGEMENT ASSOCIATION

Per: _____

Per: _____

Per: _____

Per: _____

ALLIED HYDRO COUNCIL OF MANITOBA

Per: _____

Per: _____

Per: _____

Per: _____