



Keeyask Generation Project Socio-Economic Monitoring Plan

Socio-Economic Monitoring Report

SEMP-2015-01



KEEYASK GENERATION PROJECT

SOCIO-ECONOMIC EFFECTS MONITORING REPORT

Report #SEMP-2015-01

Annual Report 2014: Year 1 Construction

Prepared for

Manitoba Conservation and Water Stewardship

By

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Appendix A: Final Keeyask Infrastructure Project Socio-Economic Effects Plan Annual Report

1.0 INTRODUCTION

Manitoba Hydro, on behalf of the Keeyask Hydropower Limited Partnership received regulatory approval to commence construction of the Keeyask Generation Project (“the Project” or “KGP”) in July 2014.

The Keeyask Generation Project (KGP) follows the Keeyask Infrastructure Project (KIP), which included a start-up camp and associated infrastructure, a 25 km all weather north-access road, and the first phase of the Keeyask Generation Project main camp. A Socio-Economic Effects Monitoring Plan (SEMP) was also developed and executed for KIP, see Appendix A - Final KIP SEMP Annual Report.

The KGP Socio-Economic Effects Monitoring Plan (SEMP) is intended to monitor changes over time for certain Valued Environmental Components (VECs). The SEMP focuses on key pathways of effect to, and components of, the socio-economic environment including;

- Economy,
- Population, Infrastructure and Services, and
- Personal, Family and Community Life

The SEMP is part of an integrated and coordinated Environmental Protection Program that has been developed to facilitate an effective transition from planning and assessment to implementation of all aspects of the Keeyask Generation Project.

This report focuses on monitoring for the Project to December 31, 2014.

2.0 OVERVIEW OF PROJECT

The Keeyask Generation Project is a 695 megawatt (MW) hydroelectric generating station located approximately 180 km northeast of Thompson and 40 km southwest of Gillam at Gull Rapids on the lower Nelson River. The Project consists of four principal structures: a powerhouse complex; a spillway; dams; and dykes. A reservoir will be created upstream of the principal structures. Supporting infrastructure consists of temporary facilities required to construct the principal structures and permanent facilities required to construct and operate the Project. Temporary infrastructure consists of work areas, cofferdams, rock groins, and an ice boom. Permanent supporting infrastructure consists of and south access roads, a transmission tower spur, communications tower, some borrow areas, excavated-material placement areas, boat launches, and a portage to enable river traffic to bypass the dam.

3.0 OVERALL OBJECTIVES AND APPROACH

The Keeyask Generation Project Environmental Impact Statement (EIS) identified primary effects to the socio-economic VECs and defined the process, scope, methods, documentation and application of the socio-economic monitoring for the Project. Overall, the intent of Manitoba Hydro and the Keeyask Cree Nations (KCN) has been to reduce adverse effects of the Project and to enhance Project benefits to the extent feasible and practicable. Monitoring information has been intended to assist in this management task. The SEMP for the Project is intended to monitor changes over time for certain VECs in order to, where applicable:

- Test predicted effects in the EIS;
- Identify unanticipated effects related to the Project;
- Monitor the effectiveness of mitigation measures;
- Determine if adaptive management is required; and
- Confirm compliance with regulatory requirements, including terms and conditions in Project approvals.

The SEMP focuses on key pathways of effect to, and components of, the socio-economic environment including;

- Economy
 - Employment and Training Opportunities
 - Business Opportunities
 - Income
- Population, Infrastructure and Services
 - Population
 - Housing
 - Infrastructure and Services, and
 - Transportation Infrastructure
- Personal, Family and Community Life
 - Public Safety and Worker Interaction
 - Travel, Access and Safety
 - Culture and Spirituality, and
 - Mercury and Human Health.

The SEMP builds on the assessment studies conducted for the EIS using established methods for data collection and analysis.

4.0 OVERALL SCHEDULE

The SEMP will be more extensive during construction of the Project, but will also occur during the operation phase as follows;

- Construction Phase – SEMP monitoring during construction is related to employment and training opportunities; business opportunities; income; population changes; housing; infrastructure and services; transportation infrastructure; public safety and worker interaction; travel, access and safety; and culture and spirituality.
- Operation Phase – SEMP monitoring during operation is more limited, and is related to population change in Gillam during the first five years of operation; water levels at Split Lake (re: transportation infrastructure/travel safety); and monitoring related to mercury and human health.

5.0 STUDY AREA

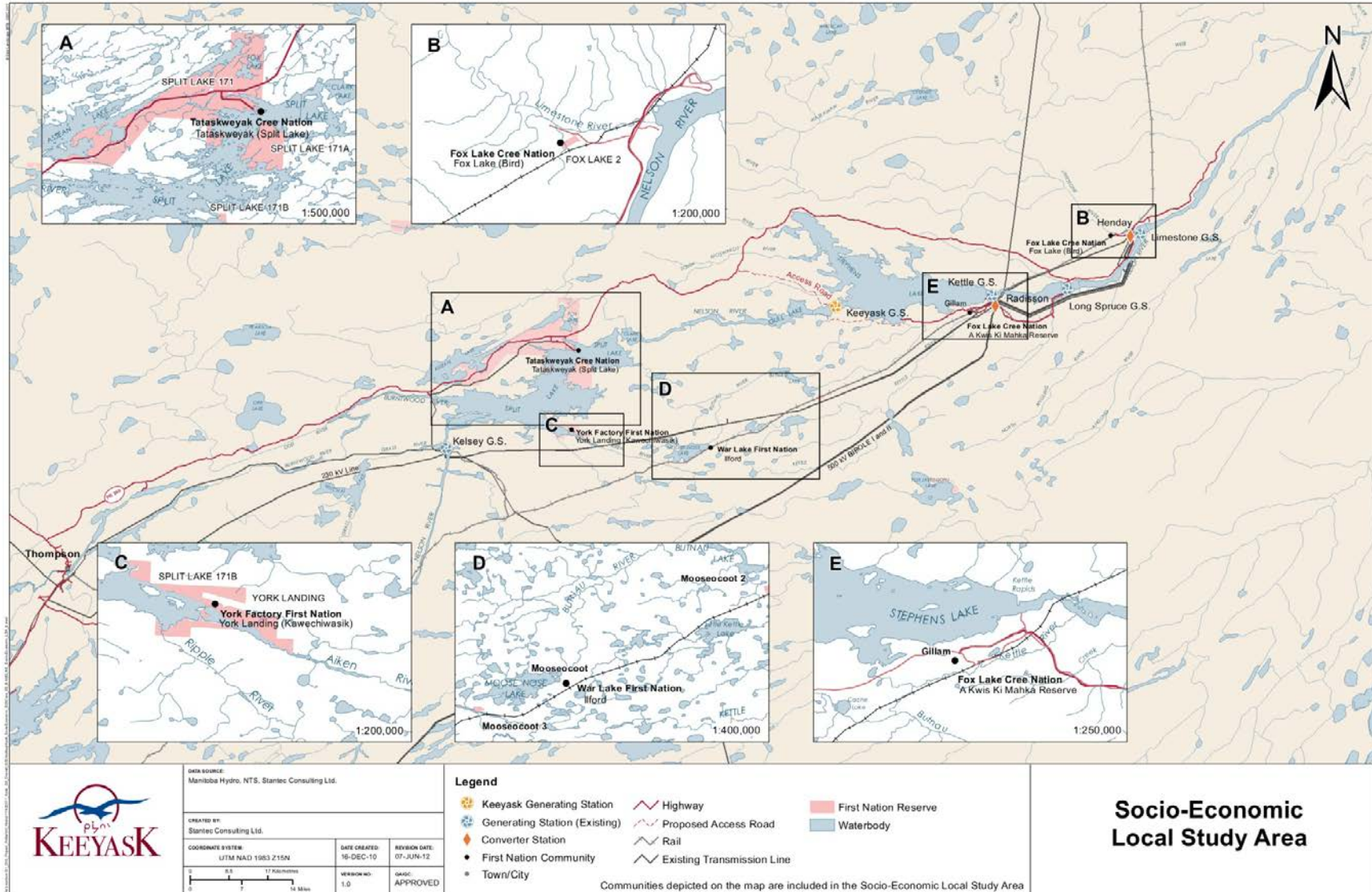
The Socio-Economic Local Study Area for the SEMP (see Map 1) incorporates the Project site, and includes the KCNs communities of TCN at Split Lake, WLFN at Ilford, YFFN at York Landing and FLCN at Fox Lake/Gillam, which are affected by the Project through the following pathways of effect:

- Physical/biophysical changes to the way the landscape looks;
- Physical/biophysical effects on resource use/traditional use areas and heritage resources;
- Employment and business opportunities;
- Construction traffic;
- Interaction with non-local construction workers within the KCNs' home communities; and
- Investment income.

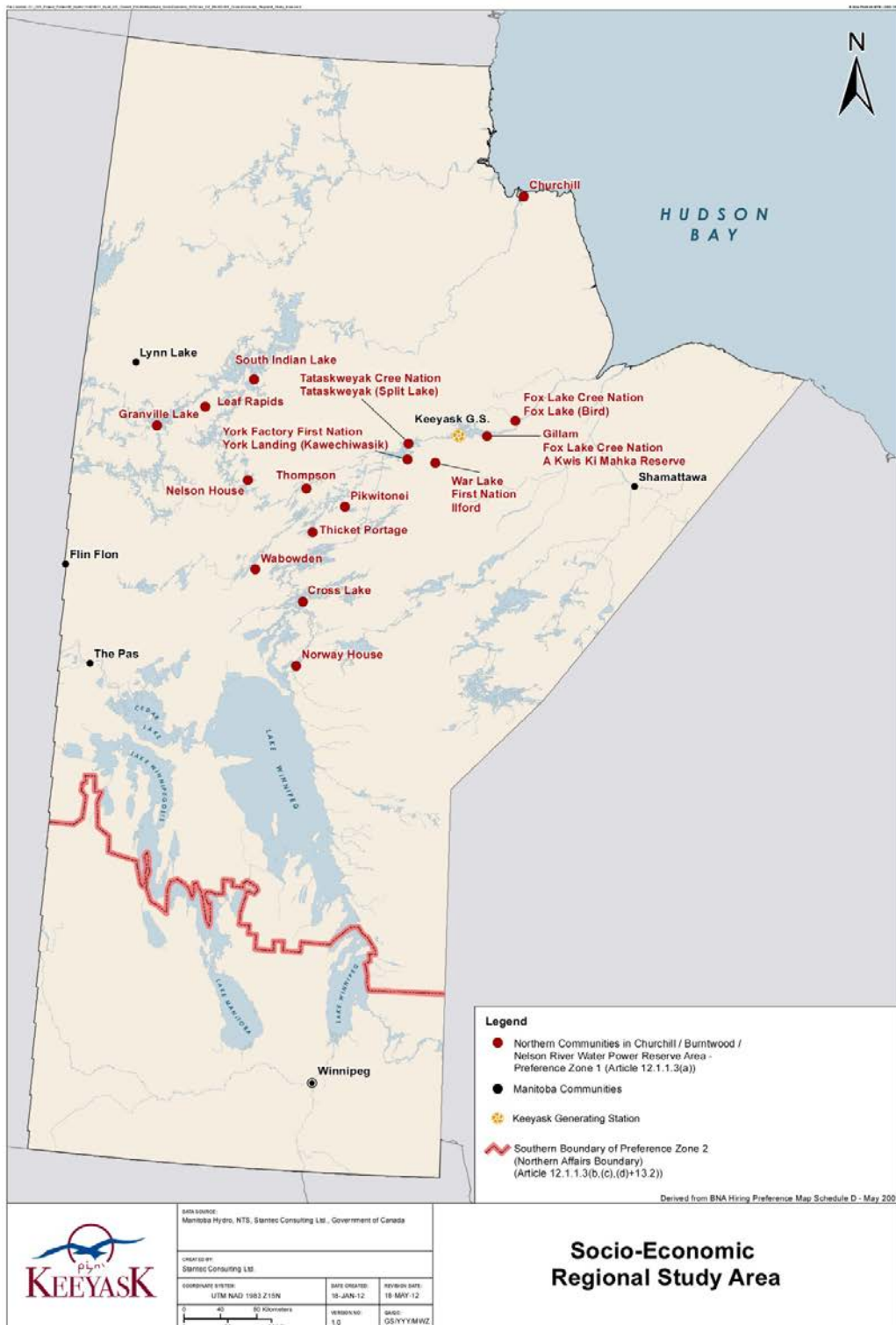
In addition to the KCNs' communities, the Town of Gillam and the City of Thompson are included in the Socio-Economic Local Study Area for the following reasons:

- The Town of Gillam is Manitoba Hydro's northern operations base and operational staff for the Project will be located in Gillam. Gillam is also home to FLCN Members living on reserve and both FLCN and TCN Members living off-reserve;
- Some of the Project's workforce are likely to visit Gillam and Thompson during their leisure time;
- Transportation/traffic for construction equipment, materials and people will flow primarily through Thompson, and some also via Gillam; and
- The City of Thompson is the regional centre for the Project and, as such, can be expected to experience increased expenditures on retail goods and services due to re-spending of wages by the Project construction workforce. Some commercial and industrial services in Thompson could see increased demand (e.g., air and freight travel through Thompson). As well, Thompson could receive additional pressure on regional health and social services.

Certain Project effects, in particular preferential hiring of northern Aboriginal and other northern workers for construction employment, will extend beyond the Socio-Economic Local Study Area to all of northern Manitoba. For this reason, the Socio-Economic Regional Study Area has been defined using the boundary identified under Schedule D of the Burntwood Nelson Agreement (BNA) (see Map 2) as the area pertaining to northern preference. This includes the Churchill-Burntwood-Nelson (CBN) communities identified in the BNA as part of hiring preference Zone 1.



Map 1: Socio-Economic Local Study Area



Map 2: Socio-Economic Regional Study Area

6.0 ECONOMY

Economic monitoring includes monitoring of all employment and training, business and income outcomes associated with the Project. Monitoring is conducted using a consistent method of approach Manitoba Hydro has used for other major capital projects.

All information regarding economic monitoring is provided from the start of Generating Station Project Activities to the end of the 2014 calendar year.

6.1 EMPLOYMENT AND TRAINING

The Project EIS analysed and provided employment estimates for KCNs, the Aboriginal workforce in the Churchill-Burntwood-Nelson (CBN) area and the Aboriginal workforce in the Socio-Economic Study Area as a whole (see SE SV Section 3.4.1) for the construction phase of the Project. The EIS also predicted that there would be northern participation in the operating jobs required to operate the facility.

Monitoring of employment and training is being undertaken first, to determine the overall employment outcomes of the Project construction, with particular emphasis on Aboriginal and northern resident participation, and second, to determine the extent to which recipients of pre-project training (PPT) participated in Keeyask construction jobs, and received on the job training. It was estimated that the levels of participation would be influenced by several factors, including timing of the opportunities and the level of interest by potential workers in pursuing those opportunities.

Monitoring of employment outcomes provides data on the success in attracting and retaining KCN members, Aboriginal persons and Manitobans during Project Construction.

As noted within the SEMP, the Project has an established Advisory Group on Employment (AGE) that will continue to function throughout construction. This is a forum to address employment-related issues, in particular Aboriginal employment, related to construction of the Project. The AGE is established to receive, review and find solutions to concerns and issues and to monitor, report and make recommendations to the Project manager on employment-related matters, as required.

During construction, employment data is collected on site by contractors through an employee self-declaration form designed specifically for the Project ("Employee Report- Keeyask Project"). All completed forms are provided by on-site contractors to Manitoba Hydro, and stored in a central database for the Project. Contractors also provide information to Manitoba Hydro on hours worked and labour income to enable calculations for person years and income estimates during construction. Employment data is provided in the categories outlined below:

- Person years – When part-time and/or seasonal workers are used, it is useful to standardize the hires in terms of person years of employment. Person years of employment

are defined as the amount of work that one worker could complete during twelve months of full-time employment. For construction planning purposes and to compare to the EA Report, the number of hours worked per year is approximately 3000 hours per year (assuming 60 regular hours weekly) in most trade categories. For economic comparison purposes, the number of hours worked per year is approximately 2000 hours per year (assuming 40-44 regular hours weekly). As this report can be used for various types of comparisons, the data has been presented in terms of 3000 and 2000 hours per year.

- Hires - Refers to the number of people hired on the Project site for any duration.
- Employees - Refers to the number of individuals hired. The variance between Hires and Employees can be attributed to an individual being hired to the Project more than once.
- Type (job classifications) of work available.

Training data is collected by Manitoba Hydro through established methods utilizing contractor on the job (OJT) reporting, and the completion of the Employee Report- Keeyask Project progression tracking section. Hydro Northern Training and Employment (HNTEI) pre-project trainees (PPTs) are tracked by comparing self declared Employee Report information to the Manitoba Hydro HNTEI database.

6.1.1 PERSON YEARS OF EMPLOYMENT

The Project generated 211 person years of employment in terms of a 3000 hour per year basis (316 person years in terms of a 2000 hour per year basis). See the Table 1 below for the breakdowns of person years of employment.

Table 1: Person Years of Employment

	3,000 ¹ hours	2,000 ² hours	% of Total Person Years
CBN	108	72	34%
Aboriginal	104	157	50%
Non-Aboriginal	106	158	50%
Northern Manitoba Aboriginal	77	115	36%
Northern Manitoba Non-Aboriginal	10	15	5%
Manitoba	185	277	88%
Non-Manitoba	26	39	12%

Note: Figures above are not additive.

¹ This number is used for construction planning purposes and to compare to the numbers in the EA Report.

² This number is used for economic comparison purposes.

6.1.2 HIRES

There were 1210 hires on the Project. See Table 2 below for the breakdown of total hires.

Table 2: Number of Hires

	Hires	% of Total Hires
CBN	377	31%
Aboriginal	562	46%
Non-Aboriginal	648	54%
Northern Manitoba Aboriginal	402	33%
Northern Manitoba Non-Aboriginal	35	3%
Manitoba	1020	84%
Non-Manitoba	190	16%

Note: Figures above are not additive.

6.1.3 INDIVIDUAL EMPLOYEES

A total of 1153 individual employees were hired on the Project. See Table 3 below for the breakdown of total employees.

Table 3: Total Individual Employees

	Employees	% of Total Employees
CBN	358	31%
Aboriginal	536	46%
Non-Aboriginal	617	54%
Northern Manitoba Aboriginal	385	33%
Northern Manitoba Non-Aboriginal	35	3%
Manitoba	964	84%
Non-Manitoba	189	16%

Note: Figures above are not additive.

The total number of individual employees is less than the total number of hires because the same individual may have been hired more than once. For example, an individual may have moved to work on a different contract or moved to a different job classification to improve their position. The difference of 57 identifies the number of re-hires at the project site.

The number of individual employees to date does not reflect the number of employees on site at a given time. The number of employees on site at any given time varies depending on the work in progress and the time of year. The number of employees on site is usually highest during the period from late spring through early fall, which is typically the period with the highest level of construction activity and the largest workforce on site. The actual number of employees on site over the course of the year ultimately depends upon the work plans and schedules of the

contractors for the various project components, in conjunction with the provisions of the Burntwood-Nelson Agreement, which is the collective bargaining agreement for the Project.

6.1.4 TYPE (JOB CLASSIFICATIONS) OF WORK AVAILABLE

Total hires by job classification are provided in Table 4 below. For employee privacy and confidentiality reasons, the numbers of hires by residency cannot be disclosed, as the numbers are low for some of the classifications listed.

Table 4: Total Hires by Job Classification

Job Classification	Total Hires	% of Total Hires	CBN	Aboriginal	Non-Aboriginal	Northern MB	Other MB	Non-MB
Labourers	143	12%	54	83	60	66	43	34
Security Guards	45	4%	12	19	26	17	28	<5
Crane Operators	6	<1%	<5	<5	<5	<5	<5	<5
Equipment Operators	138	11%	41	77	61	56	65	17
Teamsters	114	9%	53	74	40	60	47	7
Carpenters	63	5%	11	31	32	15	44	<5
Insulator Workers	25	2%	<5	<5	24	<5	24	<5
Lathing and Drywall Workers	18	1%	<5	<5	15	<5	10	8
Cement Masons	7	1%	<5	<5	<5	<5	<5	<5
Roofers	6	<1%	<5	<5	6	<5	6	<5
Sheeters, Deckers and Cladders	12	1%	<5	<5	8	<5	12	<5
Iron Workers	34	3%	<5	12	22	<5	30	<5
Rodmen	7	1%	<5	<5	<5	<5	6	<5
Electrical Workers	56	5%	9	18	38	15	41	<5
Plumbers and Pipefitters	32	3%	<5	9	23	<5	30	<5
Office and Professional Employees	63	5%	24	30	33	23	36	<5
Caterers	148	12%	131	143	5	134	13	<5
Trades with less than 5 total hires*	18	1%	<5	<5	17	<5	15	<5
Other**	275	23%	35	46	229	41	125	109
Total Hires	1210	100%	377	562	648	437	583	190

*Trades with less than 5 total hires include painters, glassworkers, floor covering installers, sheet metal workers, boilermakers and elevator constructors.

**The "Other" category refers to hires in job classifications not covered by the Burntwood Nelson Agreement, i.e. "out of scope" positions. This would include managerial and supervisory staff (both Contractor and Manitoba Hydro), other Manitoba Hydro on-site staff and certain technical staff (engineers and technicians).

6.1.5 RATES OF TURNOVER

There have been 272 occurrences where employees were discharged (48 occurrences) or resigned (224 occurrences). This represents a rate of turnover of 23% of total hires. The majority of turnover, 82 percent, is comprised of resignations as opposed to discharges.

Turnover is calculated as total incidents of discharges and resignations divided by total hires³ and does not include layoffs or transfers to other positions or contracts. Resignations represents all situations where an individual chooses to leave a job.

Table 5 below outlines turnover rates, as well as the breakdown of discharges and resignations.

Table 5: Turnover

	Total	Turnover Rate	Number of Discharges	% of Total Discharges	Number of Resignations	% of Total Resignations
CBN	128	11%	23	48%	105	47%
Aboriginal	165	14%	31	65%	134	60%
Non-Aboriginal	107	9%	17	35%	90	40%
Northern Manitoba Aboriginal	130	11%	23	48%	107	48%
Northern Manitoba Non-Aboriginal	< 15	1%	< 5	6%	9	4%
Manitoba	250	21%	45	94%	205	92%
Non-Manitoba	< 25	2%	< 5	6%	19	8%

Note: Figures above are not additive.

There have been instances where individuals have been discharged or resigned, but later returned to work on the Project. This occurred 25 times, approximately 9 percent of the total discharges and resignations.

6.1.6 TRAINING

Since the start of the Project, a total of 146 individuals have been employed as trainees or apprentices. Trainees and apprentices have gained employment in the following trade classifications of carpenters, electricians, plumbers, sheet metal workers, rodman, security, catering, janitorial and housekeeping positions. To date, 20 of these individuals have successfully advanced within their training or have achieved Journeyman status and 85 remain as active trainees, apprentices or employees on the Project.

In addition to trainees and apprentices, 73 individuals employed on the Project site were participants of the past HNTEI PPT program.

³ The total hires for calculating turnover has been modified to exclude Contract 016125 (Emergency Medical Services) as the hiring and work scheduling practices for this contract can misrepresent the true turnover rate.

6.2 BUSINESS

Project construction presents business opportunities locally, regionally and across the Province. Business outcomes are measured in terms of data on the direct expenditures of the Project for goods and services with a focus on KCNs, Aboriginal and northern Manitoba business participation; and will also be used to understand indirect business opportunities generated as a result of Project-related expenditures in Gillam, Thompson and the KCN communities. Data collected during construction consists of:

- Direct project expenditures
- Indirect business opportunities survey
- Direct Partnership business opportunities survey

6.2.1 DIRECT PROJECT EXPENDITURES

There was \$346.3 million spent on goods and services for the Project. Of this, \$59.5 million were Manitoba purchases. Total northern Manitoba (Aboriginal and non-Aboriginal) purchases represent \$14.4 million or 24% percent of total Manitoba purchases. Another \$1.5 million was spent on other purchases using credit cards and cheques where there is no definitive way to confirm whether the vendor is a northern, Aboriginal, Manitoba or non-Manitoba business. The information provided represents direct purchases of the Project for contractors and services. Indirect purchases made by a contractor, in turn, would include purchases of goods and services from Manitoba based businesses.

Table 6 below summarizes the breakdown of total purchases to date.

Table 6: Direct Purchases

	\$ (Millions)	% of Total
Manitoba	59.5	17.2%
Northern Manitoba Aboriginal	14.0	
Other Northern Manitoba	0.4	
Other Manitoba	45.1	
Outside of Manitoba	285.3	82.4%
Other	1.5	0.4%
Total	346.3	

6.2.2 INDIRECT BUSINESS OPPORTUNITIES SURVEY

With respect to indirect business effects, the Project SEMP defined scope to undertake a survey of Key Person Interviews in Thompson, Gillam and each of the KCN communities to ascertain any indirect business opportunities that may be generated as a result of the Project.

This KPI program will be undertaken at the peak of the General Civil Contract activities estimated to occur in year 3 or 4 of the construction phase.

6.2.3 DIRECT PARTNERSHIP BUSINESS OPPORTUNITIES SURVEY

As part of the JKDA, Manitoba Hydro and the KCNs committed to a series of business opportunities for the Project to negotiate as Direct Negotiated Contracts (DNCs) with KCN businesses.

As noted within the Project SEMP, a KPI program of key participants involved in management of the DNCs will be undertaken to understand the role of KCNs businesses in implementation of the DNCs and how they contribute to building KCNs business capacity.

This KPI program is planned to be implemented in Year 4 and 8 of the construction phase and results will be reported thereafter directly to the Partnership.

6.3 INCOME

The results of income monitoring include estimates of labour income. This is viewed as an important indicator of the direct economic impact of the Project. Income levels affect the general standard of living of individuals and families.

6.3.1 LABOUR INCOME

The estimate of labour income reflects the direct income earned by workers from employment on the Project. It is the sum of wages and salaries associated with direct person years of employment⁴. Total labour income earned is approximately \$27.1 million. Table 7 lists the breakdown of labour income earned on the Project.

⁴ Labour income is calculated based on information provided by contractors and Manitoba Hydro.

Table 7: Labour Income

	Labour Income (Millions)	% of Total
KCN	\$3.9	15%
CBN	\$7.0	26%
Aboriginal	\$11.0	41%
Non-Aboriginal	\$16.1	59%
Northern Manitoba	\$16.8	62%
Other Manitoba	\$5.3	19%
Non-Manitoba	\$5.0	19%

Note: Figures above are not additive.

7.0 POPULATION, INFRASTRUCTURE AND SERVICES

7.1 POPULATION

The Project's Environmental Impact Statement (EIS) predicted that the Project would not result in notable changes to population in the KCNs communities, and that net in-migration associated with Project construction would be quite small. Similarly, Gillam was not predicted to see any substantial population growth as a result of Project-related construction, and Thompson was also not expected to see any material construction-related population change.

However, accurately identifying the precise levels of in- and out-migration is difficult, and the KCN Partners have noted that any in-migration to their communities could stress services that are already at capacity. As a result, if population change monitoring for Gillam and the KCN communities suggests Project-induced in-migration or out-migration is greater than predicted, Key Person Interviews will be undertaken to further understand the influence of the Project on population.

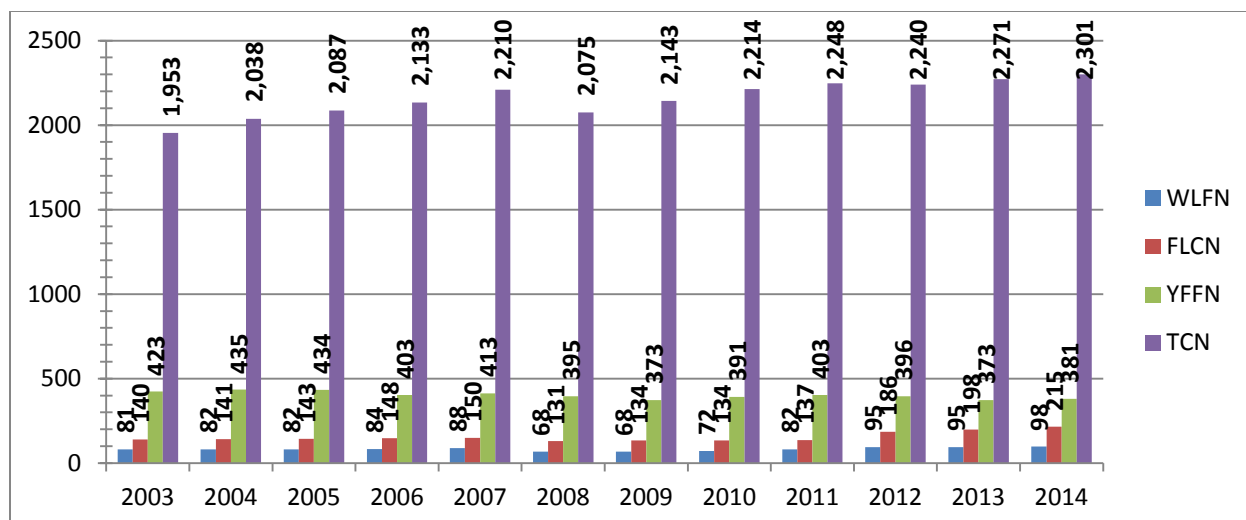
While it is too early to measure the impact of Project construction on community populations, the following information is intended to serve as a baseline for future reports.

7.1.1 KCN COMMUNITIES

Based on data from Aboriginal Affairs and Northern Development Canada, from December 31, 2003 to December 31, 2014, the total population⁴ for Tataskweyak Cree Nation (TCN) increased from 1,953 to 2,301, an increase of 348 people; the total population for War Lake First Nation (WLFN) increased from 81 to 98, an increase of 17 people; the total population for York Factory First Nation (YFFN) decreased from 423 to 381, a decrease of 42 people; and the total population for Fox Lake Cree Nation (FLCN) increased from 140 to 215, an increase of 75 people.

This represents an average annual growth rate of 1.6% for TCN; 1.9% for WLFN; -0.90% for YFFN; and 4.9% for FLCN over the period.

A comparison of KCN populations from 2003 to 2014 is as follows⁴:



⁴ All KCN population statistics are reported as at December 31, and are based on a First Nation's registered population on its own reserve, as published by Aboriginal Affairs and Northern Development Canada (AANDC).
Source: Aboriginal Affairs and Northern Development Canada.

Figure 1: Comparison of KCN Populations from 2003 to 2014.

7.1.1.1 TOWN OF GILLAM

Annual population data for Gillam is available from Manitoba Health and is reported as at June 1 each year. Available data to date (up to June 1, 2014) precedes the start of project construction. Based on data from Manitoba Health's annual health statistics, the total off-reserve population at Gillam increased from 1,171 to 1,339, an increase of 168 people, between June 1, 2008 and June 1, 2014.

This represents an average annual growth rate of 2.4% over the period.

A comparison of the Gillam population from 2008 to 2014 (as at June 1) is as follows:

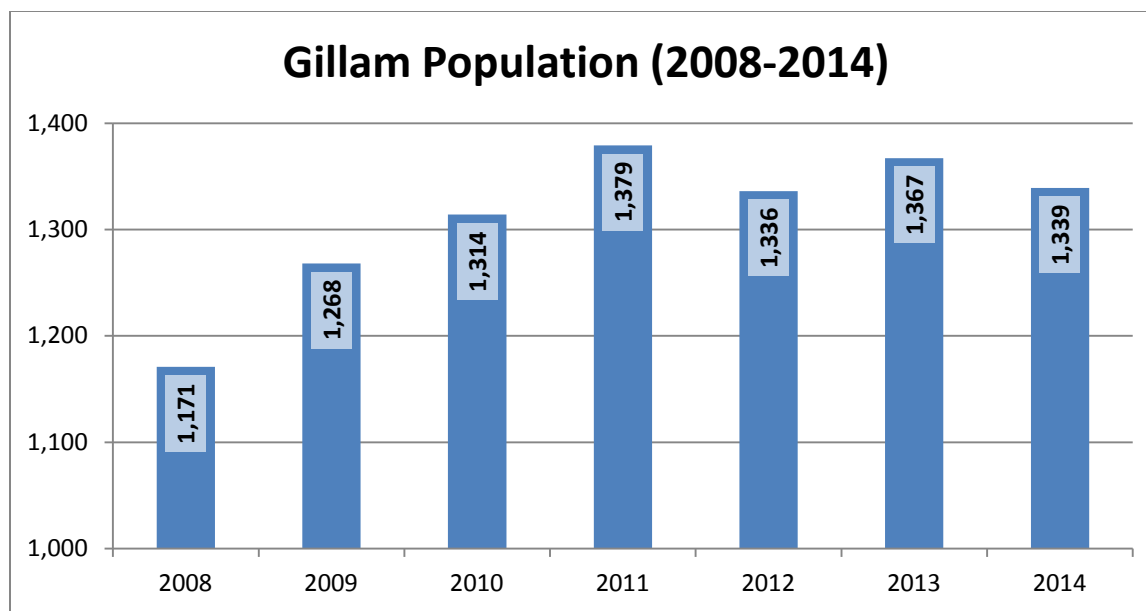


Figure 2: Gillam Population from 2008 to 2014. Source: Manitoba Health.

7.2 HOUSING

The Keeyask EIS predicted limited Project-related population growth in the KCNs communities and Gillam during the construction period and therefore, little new project construction-related demand for housing in these communities. A one-time program of key person interviews (KPIs) will be undertaken with representatives of the housing authorities in each of the KCNs communities to identify any apparent Project effects on housing. This is expected to be conducted around the 3rd or 4th year of construction.

7.3 INFRASTRUCTURE AND SERVICES

The Keeyask EIS predicted limited Project-related population growth in the KCNs communities during the construction period and therefore, minimal effect on infrastructure and services due to project construction. However, as the urban centre in closest proximity to construction activities, Gillam, FLCN and TCN Members who reside in Gillam, and FLCN Members in Fox Lake (Bird) may experience effects on infrastructure and services associated with short-term influxes of construction workers.

One-time key person interviews will take place during project construction to identify any apparent project effects on housing or infrastructure and services in the KCN communities. These are anticipated to take place during year 2 or 3 of construction. Monitoring will also be undertaken to understand the effects of non-local construction workers on the demand for

infrastructure and services in Gillam. Information related to such potential effects is anticipated to be available through the established Gillam Worker Interaction Subcommittee.

7.4 TRANSPORTATION INFRASTRUCTURE

During construction, project effects on road-based travel are anticipated to stem from increased vehicular traffic associated with transport of people (construction personnel and service providers), equipment and materials on roads in the area, particularly Provincial Road 280 (PR 280).

Traffic volume information has been obtained from the Manitoba Highway Traffic Information System (MHTIS) website for the years 2005, 2007, 2009, 2011 and 2013. This information is based on data collected by Manitoba Infrastructure and Transportation (MIT) for PR 280 and PR 290 on a bi-annual basis, and includes estimates of annual average daily traffic (AADT), which is the number of vehicles passing a point on an average day of the year.

Traffic data from the MHTIS for PR 280 between PR 391 and the PR 280/PR 290 intersection is divided into two segments; PR 391 to Split Lake and Split Lake to the PR 280/PR 290 intersection. A summary of the AADT for these segments of PR 280 for past years is as follows (rounded to the nearest five).

7.4.1.1.1 PR 280 TRAFFIC VOLUMES

Table 8: Summary of AADT for segments of PR 280 from 2003 to 2013.

Highway	Segment	Average AADT					
		2003	2005	2007	2009	2011	2013
PR 280	PR 391 to Split Lake	230	155	135	175	210	270
	Split Lake to PR 280/290	115	95	95	120	140	160

Collision data for PR 280 for the years 2005 to 2014 has also been provided by Manitoba Public Insurance. There were a total of 118 collisions on PR 280 between 2005 and 2014; an average of 11.8 collisions per year. Collisions during the spring and fall months were most frequent, accounting for 27 and 36 percent, respectively, of all collisions over the ten-year period. Single vehicle collisions were most frequent, accounting for approximately 92 percent of all collisions during the analysis period.

The Keeyask North Access Road connects Provincial Road 280 to the construction site. It is a private road with restricted access, which is controlled by means of a gate at the PR 280/access road intersection. The gate office is staffed 24 hours per day, seven days per week and security staff document all authorized vehicles entering and exiting the road. Monitoring of traffic volume on the access road takes place through the gate's records and through security reports from patrols.

The tables below provide a summary of traffic use on the North Access Road from August 2014 to December 31, 2014. On average, 92 vehicles per day used the road during this period.

Table 9: North Access Gate Count Records for Keeyask Generation Project

	2014					
Traffic Count	Aug	Sep	Oct	Nov	Dec	Summary
Total Vehicles	2,919	3,425	3,008	2,531	2,124	14,007
Daily Average	94	114	97	84	69	92

Table 10: North Access Gate Records by Vehicle Classification for Keeyask Generation Project

	2014					
	Aug	Sep	Oct	Nov	Dec	Summary
Site Personnel	2,228	2,620	2,575	1,790	1,560	77%
Suppliers/Deliveries	144	230	192	235	235	7%
Visitors/Guests	547	575	241	506	329	16%
Resource Users	0	0	0	0	0	0%
Total	2,919	3,425	3,008	2,531	2,124	

8.0 PERSONAL, FAMILY AND COMMUNITY LIFE

8.1 PUBLIC SAFETY AND WORKER INTERACTION

A Worker Interaction Subcommittee was established by Manitoba Hydro prior to the beginning of Keeyask construction. The Subcommittee, which is part of a separate corporate-wide initiative, was formed in anticipation of increases in the Gillam area workforce resulting from all Manitoba Hydro projects being constructed in the area in an overlapping timeframe.

Subcommittee members include Manitoba Hydro, Fox Lake Cree Nation, the Town of Gillam, RCMP (Gillam Detachment), Gillam Hospital, and Gillam School. Other stakeholder members may be identified by the Subcommittee on an as needed basis.

The Subcommittee is intended as a forum for information sharing and communication for early identification of potential worker interaction concerns, prevention of issues to the extent possible, and identification of ways to work cooperatively to address issues as they arise. In addition, it is anticipated the Subcommittee's monitoring will also assist in understanding the effects of non-local construction workers on the demand for infrastructure and services in Gillam, such as the demand for health services and policing. However, where community service impacts are identified, the extent to which any such impacts will be able to be specifically attributed to Keeyask or any other Manitoba Hydro projects underway at the same time is yet to be determined.

Due to the sensitive nature of the topics addressed, some Subcommittee information will remain confidential.

The Subcommittee has previously approved a Terms of Reference and, as at December 31, 2015, was developing the details of its planned monitoring activities. In the period between the beginning of Keeyask construction and December 31, 2015, the Subcommittee met twice (September and December of 2014).

8.2 TRAVEL, ACCESS AND SAFETY

8.2.1 WATER/ICE-BASED TRAVEL

No SEMP monitoring related to water/ice-based travel will be undertaken during the construction phase of the project. However, information on Waterways Management Program

debris-related activities during construction is available through the Physical Environment Monitoring Plan.

8.2.1.1 ROAD-BASED TRAVEL, ACCESS AND SAFETY

Information on traffic related collisions on PR280 and use of the access roads are contained in section 3.4 Transportation Infrastructure.

There were zero incidents/problems associated with non-construction use of the access road.

8.3 CULTURE AND SPIRITUALITY

8.3.1 ABORIGINAL AWARENESS ACTIVITIES AND RETENTION SUPPORT PROGRAMS

Since the start of construction various measures were put in place to support the retention of northern and Aboriginal employees at the job site, and to ensure that sensitivity and respect for local culture is demonstrated throughout construction of the Project. These measures include establishing the Employment Retention and Support (ERS) Services contract where scope was developed jointly with the Keeyask Fox York Joint Venture who endeavored to include all KCN interests. The ERS contractor began delivery of services during the KIP and continued into the Generating Station Project. Services include orientation sessions for KCN Members, on-site Aboriginal awareness training for employees, voluntary counseling services, and cultural ceremonies marking key construction activities.

8.3.1.1 KCN MEMBERS ORIENTATION

The purpose of these orientation sessions, delivered in the communities, is to prepare KCN Members for the camp construction experience and enhance their prospects of achieving the benefits from employment on the Keeyask Project. The focus is on key factors that affect the economy, culture and social conditions of each KCN. This includes the historical and ongoing effects of hydro development and relationships with Manitoba Hydro.

8.3.2 ABORIGINAL AWARENESS TRAINING

The purposes of training workshops are to;

- increase understanding and appreciation of the cultural differences, beliefs and values of individuals within the various parties/communities working at the site;
- enhance comfort in living, working and/or doing business in a culturally diverse environment;

- identify barriers and issues between the various parties working at the site;
- identify common goals;
- develop strategies and an action plan for addressing issues/barriers, reaching common goals and developing and maintaining long-term harmonious relationships;
- increase participants' understanding of contemporary issues facing Aboriginal peoples;
- challenge participants to re-think their assumptions and personal biases about Aboriginal peoples, and
- provide participants with information that will promote understanding and respect of Aboriginal cultures, enabling participants to work effectively with Aboriginal peoples.

Training is a requirement for all staff working at the Keeyask Site.

8.3.3 ON-SITE COUNSELING

On-site counseling is available to help all employees, on a voluntary basis, to deal with any issues experienced while working on the Project. This could include, for example, work adjustment problems, vocational/ career issues, cultural adjustments, family stresses and money management. The intent is to reduce attrition for all project workers, but particularly for Northern Aboriginal workers of Cree heritage, by assisting them in dealing with problems directly affecting their work performance.

8.3.4 CULTURAL SITE CEREMONIES

Site ceremonies are held at key construction milestones to help mitigate the effect of the Project on KCN culture, and to demonstrate respect for the land and all that is supported by the land. Ceremonies are organized by the Fox & York Keeyask Joint Venture Company, and attendance, both welcome and voluntary, consists of various KCN Members at large, and staff of the contractor and Manitoba Hydro. In this reporting period, there was one ceremony in 2014 for the cofferdam construction (first in water work).

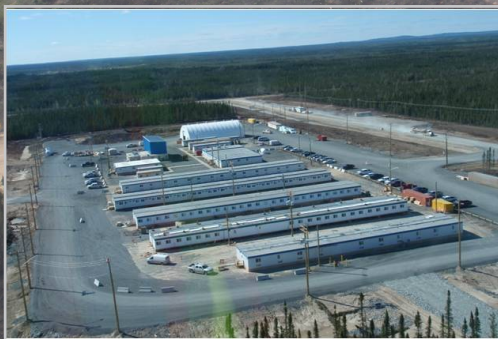
8.3.5 WORKER/FAMILY SURVEY

During the third year of construction, the Partnership will conduct a worker and family survey of a sample of KCNs workers employed on Project construction, and their families, to assess their employment experience such as cross-cultural awareness training, work and camp life, counselling, ceremonies, and effects on family, community life and traditional life. The KCNs will be involved in the design and implementation of the worker and family survey.

8.4 MERCURY AND HUMAN HEALTH

Because project effects of methylmercury will occur post-impoundment (as a result of flooding associated with the Project), the majority of related monitoring will occur in the operation phase. The Partnership has prepared a Mercury & Human Health Risk Management Plan in consultation with Health Canada, Manitoba Health, and Manitoba Conservation and Water Stewardship, in order to identify, assess, respond to, communicate and monitor risks to human health from increased methylmercury in the environment as a result of the Keeyask Project.

Appendix A:
Final
Keeyask Infrastructure Project
Socio-Economic Effects Plan
Annual Report



Keeyask Infrastructure Project

Socio-economic Effects Monitoring Program

Socio-economic Monitoring

Final Report 2013-2014



December 2014

KEYYASK INFRASTRUCTURE PROJECT

SOCIO-ECONOMIC EFFECTS MONITORING PROGRAM

Final Report 2013 - 2014

Report for

MANITOBA CONSERVATION AND WATER STEWARDSHIP

Prepared On Behalf of the
Keeyask Hydropower Limited Partnership

By

Manitoba Hydro

December 2014

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1.0 INTRODUCTION

The Keeyask Infrastructure Project (“the Project” or “KIP”) was constructed by Manitoba Hydro for the Keeyask Hydropower Limited Partnership. The Project is located approximately 180 km northeast of Thompson and 40 km southwest of Gillam, extending between PR 280 and Gull Rapids on the Nelson River. The Project includes a start-up camp and associated infrastructure, a 25 km all weather access road and the first phase of a main camp.

The KIP Socio-Economic Effects Monitoring Program (SEMP) notes that monitoring provides a means to examine actual project effects, measure the effectiveness of mitigation measures, and identify any unanticipated impacts for adaptive management purposes. The socio-economic environment encompasses economic and social components. The Monitoring Program focuses on key components of the socio-economic environment that may be affected by the Project, including both indirect and direct effects.

2.0 OVERALL PURPOSE AND APPROACH

The Keeyask Infrastructure Project Environmental Assessment (EA) Report outlined various proposed socio-economic monitoring activities. Overall, the intent of Manitoba Hydro and the Keeyask Cree Nations (KCN) has been to reduce adverse effects of the Project and to enhance Project benefits to the extent feasible and practicable. Monitoring information has been intended to assist in this management task. The SEMP for the Project is intended to document positive and adverse changes with respect to specific socio-economic components over time, with the following purposes:

- To confirm impact predictions in the EA Report;
- To identify unanticipated effects;
- To monitor the effectiveness of mitigation measures;
- To identify other actions necessary to mitigate adverse effects or enhance positive effects;
- and
- To provide socio-economic information for other uses.

The SEMP focuses on key pathways of effect to, and components of, the socio-economic environment. The SEMP builds on the assessment studies conducted for the EA Report using

established methods for data collection and analysis. Separate monitoring programs were also developed in relation to terrestrial and aquatic factors and heritage resources.

3.0 STUDY AREA

The KIP SEMP notes that the nature and degree of socio-economic effects resulting from the Project are expected to vary across different regions depending on, among other things, proximity to the Project and geographic location relative to the Project hiring preference. The regions identified below were considered in the Keeyask Infrastructure Project Environmental Assessment.

KCN Community Study Area - The KCN Community Study Area includes the four First Nation communities in the vicinity of the Project: Tataskweyak Cree Nation at Split Lake; York Factory First Nation at York Landing; War Lake First Nation at Ilford; and Fox Lake Cree Nation at Bird and Gillam. These First Nation communities were included in this study area for the following reasons:

- They have areas used for traditional activities such as hunting or trapping that could be affected by the Project facilities;
- They have populations eligible for employment under the Project; and,
- They are parties to the Joint Keeyask Development Agreement (JKDA) and are partners in the Project.

Northern Manitoba Study Area – The broadest spatial scope used for the assessment (other than very occasional references to provincial and broader regions) is the Northern Manitoba Study Area. For the purposes of the socio-economic assessment, this area is defined as Statistics Canada Census Divisions 22 and 23. The key focus is on Thompson and Gillam as they are the major service centres in the region.

In order to facilitate data collection and analysis, the SEMP has adopted somewhat different study area definitions. For the purposes of employment and business monitoring, the **Northern Region** is to be defined by the BNA line (Schedule D from the Burntwood/Nelson Agreement). The SEMP is also to consider business and income effects for **Manitoba** and **Canada**.

4.0 OVERALL SCHEDULE

The SEMP focuses on the construction period of the Project, reflecting the magnitude of employment, business and income opportunities available during that time. Certain socio-economic parameters will continue to be monitored into KIP's operations and decommissioning period, as part of implementation of the Keeyask Generating Station's Socio-Economic Monitoring Plan.

5.0 ECONOMIC MONITORING

Economic monitoring includes monitoring of all employment and business associated with the Project. The objectives of economic monitoring for the Project are as follows:

- To track employment outcomes, with a particular focus on Aboriginal and northern resident employment outcomes;
- To track construction business outcomes, with a particular focus on Aboriginal and northern business participation; and
- To track the effect on project income levels, including labour income resulting from direct employment as well as estimated taxes paid to the government.

All information regarding economic monitoring is provided from January 1, 2012 to July 31, 2014 (completion of the KIP Project).

5.1 EMPLOYMENT

The Project EA Report provided estimates regarding potential KCN and northern Aboriginal resident participation in employment opportunities associated with the Project. It was estimated that the levels of participation would be influenced by several factors, including timing of the employment opportunities and the level of interest in pursuing employment opportunities by KCN members and other northern Aboriginals.

Monitoring of employment outcomes provides data on the success in attracting and retaining KCN and northern Aboriginal employees during Project Construction.

During construction, employment data is collected on site by contractors through an employee self-declaration form designed specifically for the Project ("Employee Report- Keeyask

Project”). All completed forms are provided by on-site contractors to Manitoba Hydro, and stored in a central database for the Project. Contractors also provide information to Manitoba Hydro on hours worked and labour income to enable calculations for person years and income estimates during construction. Employment data is provided in the categories outlined below:

- Person years – When part-time and/or seasonal workers are used, it is useful to standardize the hires in terms of person years of employment. Person years of employment are defined as the amount of work that one worker could complete during twelve months of full-time employment. For construction planning purposes and to compare to the EA Report, the number of hours worked per year is approximately 3000 hours per year (assuming 60 regular hours weekly) in most trade categories. For economic comparison purposes, the number of hours worked per year is approximately 2000 hours per year (assuming 40-44 regular hours weekly). As this report can be used for various types of comparisons, the data has been presented in terms of 3000 and 2000 hours per year.
- Hires - Refers to the number of people hired on the Project site for any duration.
- Employees - Refers to the number of individuals hired. The variance between Hires and Employees can be attributed to an individual being hired to the Project more than once.
- Average duration of work on the project
- Type (job classifications) of work available
- Rates of Turnover

5.1.1 Person Years of Employment

KIP generated 368 person years of employment in terms of a 3000 hour per year basis (552 person years in terms of a 2000 hour per year basis). See the Table 1 below for the breakdowns of person years of employment.

Table 1: Person Years of Employment

	3,000¹ hours	2,000² hours	% of Total Person Years
KCN	91	136	25%
Aboriginal	181	271	49%
Non-Aboriginal	187	281	51%
Northern Manitoba Aboriginal	146	219	40%
Northern Manitoba Non-Aboriginal	14	21	4%
Manitoba	335	502	91%
Non-Manitoba	33	50	9%

Note: Figures above are not additive.

5.1.2 Hires

There were 1758 hires on the KIP project. See Table 2 below for the breakdown of total hires.

Table 2: Number of Hires

	Hires	% of Total Hires
KCN	501	28%
Aboriginal	1023	58%
Non-Aboriginal	735	42%
Northern Manitoba Aboriginal	817	46%
Northern Manitoba Non-Aboriginal	35	2%
Manitoba	1631	93%
Non-Manitoba	127	7%

Note: Figures above are not additive.

5.1.3 Employees

A total of 1090 employees were hired on the Project. See Table 3 below for the breakdown of total employees.

¹ This number is used for construction planning purposes and to compare to the numbers in the EA Report.

² This number is used for economic comparison purposes.

Table 3: Total Employees

	Employees	% of Total Employees
KCN	260	24%
Aboriginal	539	49%
Non-Aboriginal	551	51%
Northern Manitoba Aboriginal	402	37%
Northern Manitoba Non-Aboriginal	30	3%
Manitoba	984	90%
Non-Manitoba	106	10%

Note: Figures above are not additive.

The total number of employees is less than the total number of hires because the same individual may have been hired more than once. For example, an individual may have moved to work on a different contract or moved to a different job classification to improve their position.

The number of employees to date does not reflect the number of employees on site at a given time. The number of employees on site at any given time varies depending on the work in progress and the time of year. The number of employees on site is usually highest during the period from late spring through early fall, which is typically the period with the highest level of construction activity and the largest workforce on site. The actual number of employees on site over the course of the year ultimately depends upon the work plans and schedules of the contractors for the various project components, in conjunction with the provisions of the Burntwood-Nelson Agreement, which is the collective bargaining agreement for the Project.

5.1.4 Employment Duration

Between January 2012 and July 31, 2014, the average employment duration was 3 months. See Table 4 for a breakdown of employment duration.

Table 4: Breakdown of Employment Duration

	Average Employment Duration (Months)
KCN	2.9
Aboriginal	2.7
Non-Aboriginal	3.4
Northern MB Aboriginal	2.8
Northern MB Non-Aboriginal	3.9
Manitoba	3.0
Non-Manitoba	3.9

Note: Figures above are not additive.

5.1.5 Type (Job Classifications) of Work Available

Total hires by job classification are provided in Table 5 below. For employee privacy and confidentiality reasons, the numbers of hires by residency cannot be disclosed, as the numbers are low for some of the classifications listed.

Table 5: Total Hires by Job Classification

Classification	Total KIP Hires	% of Total Hires
Labourers	232	13%
Security Guard	35	2%
Crane Operators	6	<1%
Equipment Operators	381	22%
Teamsters	271	15%
Carpenters	93	5%
Painters	<5	<1%
Glassworkers	<5	<1%
Floor Covering Installers	<5	<1%
Insulator Workers	23	1%
Lathing and Drywall	22	1%
Cement Masons	11	1%
Sheet Metal	5	<1%
Roofers	10	1%
Sheeters, Deckers and Cladders	14	1%
Boilermakers	5	<1%
Iron Workers	38	2%
Rodmen	7	<1%
Electrical Workers	43	2%
Plumbers and Pipefitters	32	2%
Sprinkler System Installers	<5	<1%
Office and Professional		
Employees	148	8%
Caterers	116	7%
Elevators Constructors	<5	<1%
Other*	250	14%
Total Hires	1758	100%

*The “Other” category refers to hires in job classifications not covered by the Burntwood Nelson Agreement, i.e. “out of scope” positions. This would include managerial and supervisory staff (both Contractor and Manitoba Hydro), other Manitoba Hydro on-site staff and certain technical staff (engineers and technicians).

5.1.6 Rates of Turnover

There were 235 occurrences where employees were discharged (64 occurrences) or resigned (171 occurrences). This represents a rate of turnover of 14 percent of total hires. Of the 235 occurrences where employees were discharged or resigned, 146 reported being of Aboriginal descent. This represents a 14 percent rate of turnover among Aboriginal hires. The majority of job site turnover, 73 percent, is comprised of resignations as opposed to discharges. A resignation represents an individual choosing to leave a job and does not include layoffs. Table 6 below outlines the breakdown of discharges and resignations, as well as turnover.

Table 6: Total Discharges and Resignations

	Number of Discharges	% of Total Discharges	Number of Resignations	% of Total Resignations	Turnover Rate³
KCN	28	44%	59	35%	5%
Aboriginal	46	72%	100	58%	9%
Non-Aboriginal	18	28%	71	42%	5%
Northern MB Aboriginal	41	64%	88	51%	8%
Northern MB Non-Aboriginal	<5	<5%	<5	<5%	<5%
Manitoba	61	95%	161	94%	14%
Non-Manitoba	<5	5%	10	6%	<5%

Note: Figures above are not additive.

There were a few instances where individuals have resigned or been discharged from the job site, but later returned to work on the Project. This occurred 29 times - approximately 12 percent of total resignations and discharges. Of these returns to the work site, 19 reported to be of Aboriginal descent, representing about 13 percent of all Aboriginal resignations and discharges.

5.2 BUSINESS

Project construction presents business opportunities locally, regionally and across the Province. Business outcomes are measured in terms of data on the direct expenditures of the Project for goods and services with a focus on Aboriginal and northern spending. Data collected during construction consists of:

³ Turnover is calculated as total incidences of discharges and resignations divided by total hires. The total hires for calculating turnover has been modified to exclude Contract 016125 (Emergency Medical Services) as the hiring and work scheduling practices for this contract can misrepresent the true turnover rate.

- Direct project expenditures
- Indirect employment and business opportunities survey

5.2.1 Direct Project Expenditures

There was \$302.6 million spent on goods and services for the Project. Of this, \$136.7 million were Manitoba purchases. Total northern Manitoba (Aboriginal and non-Aboriginal) purchases represent \$115.4 million or 84 percent of total Manitoba purchases. Another \$1.2 million was spent on other purchases using credit cards and cheques where there is no definitive way to confirm whether the vendor is a northern, Aboriginal, Manitoba or non-Manitoba business. Table 7 below summarizes the breakdown of total purchases to date.

Table 7: Direct Purchases

	\$ (Millions)	% of Total
Manitoba	\$136.7	45%
KCN	\$113.9	-
Other Northern Manitoba Aboriginal	\$0.4	-
Other Northern Manitoba	\$0.9	-
Other Manitoba	\$21.1	-
Outside of Manitoba	\$165.1	54%
Other	\$1.2	<1%
Total	\$302.6	100%

5.2.2 Indirect Employment and Business Opportunities Survey

With respect to indirect employment and business effects, the KIP SEMP defined scope is to undertake an indirect employment and business opportunities survey once during the Project near the end of the construction phase to capture peak activity levels. To this end, Manitoba Hydro and Keeyask Cree Nation (KCN) community representatives conducted surveys of local businesses in Thompson, Gillam and respective KCN communities. The analysis covers the period from January 2012 to July 2014 which spans the years of KIP construction, the infrastructure development phase preceding the Keeyask Generating Station Project. During this time, development was concentrated on access road construction, camp construction and worksite preparation. A total of 31, 13 and 8 business were surveyed in Thompson, Gillam and KCN communities, respectively.

Participants, particularly in Thompson, had a generally optimistic outlook for their local economy

due to perceived and anticipated economic impact from major projects such as Bipole III and the Keeyask Generating Station. However, the results of the data indicate that almost all respondents had difficulty specifically isolating the effects of KIP on their businesses because of the overall economic activities occurring in Thompson and the relatively small size of KIP. While survey size was much larger in Thompson, given the absolute number of businesses, these results were consistent within Gillam and participating KCN communities as well.

5.3 INCOME

The results of income monitoring include estimates of the following:

- Labour income - an important indicator of the direct economic impact of the Project. Income levels affect the general standard of living of individuals and families.
- Taxes - Direct taxes reflect revenue generated for the government, which in turn, contribute to societal programs and general well-being. Examples include:
 - Provincial sales tax
 - Payroll tax
 - Corporate capital tax
 - Fuel tax
 - Estimate of personal income taxes

5.3.1 Labour Income

The estimate of labour income reflects the direct income earned by workers from employment on the Project. It is the sum of wages and salaries associated with direct person years of employment⁴. Total labour income earned is approximately \$49.1 million. Table 8 lists the breakdown of labour income earned on the Project.

⁴ *Labour income is calculated based on information provided by contractors and Manitoba Hydro.*

Table 8: Labour Income

	Labour Income (Millions)	% of Total
KCN	\$8.4	17%
Aboriginal	\$19.9	41%
Non-Aboriginal	\$29.2	59%
Northern Manitoba Aboriginal	\$15.1	31%
Northern Manitoba Non-Aboriginal	\$1.7	3%
Manitoba	\$40.6	83%
Non-Manitoba	\$8.5	17%

Note: Figures above are not additive.

5.3.2 Taxes

The Project also contributed to government revenues. This includes revenues received by federal and provincial governments such as payroll tax, personal income tax, capital tax, fuel tax and provincial sales tax. Not all of these taxes are payable by the Project; however, they are generated as a result of the work undertaken. The estimate provided here does not include taxes received by the local or municipal government or taxes associated with indirect or induced employment.

The estimate of total tax impacts to the end of July 31, 2014 is \$29.5 million. The estimate includes \$1.1 million in payroll taxes⁵, \$13.3 million in personal income taxes⁶, \$3.1 million in capital tax, \$1.1 million in fuel tax⁷ and \$10.9 million in provincial sales tax⁸.

The breakdown of the estimated total is provided in below.

Table 9: Tax Revenues

	Taxes to July 31, 2014 (\$Millions)		
	Provincial	Federal	Total
Provincial Sales Tax	\$10.9	---	\$10.9
Payroll Tax	\$1.1	---	\$1.1
Corporate Capital Tax	\$3.1	---	\$3.1
Fuel Tax	\$0.6	\$0.5	\$1.1
Personal Income Tax	\$5.6	\$7.7	\$13.3
Total	\$21.3	\$8.2	\$29.5

⁵ Health and Post-secondary Education Tax is calculated as 2.15 per cent of the estimated labour income of \$50.4 million.

⁶ Personal income taxes are paid by individual employees to the federal and provincial governments. Each individual's personal tax situation (and therefore taxes payable) will vary. However, this estimate is based on a range of reasonable assumptions.

⁷ The fuel tax estimate is based on provincial taxes of 14 cents/litre for both diesel and gasoline and federal taxes of 4 cents/litre for diesel fuel and 10 cents/litre for gasoline; provincial and federal taxes of 3.2 cents/litre and 4.0 cents/litre, respectively, for aviation fuel.

⁸ PST is based on estimates of taxes paid directly by the project and PST on materials provided by suppliers under real property contracts.

6.0 SOCIAL MONITORING

6.1 BACKGROUND

The KIP Socio-Economic Effects Monitoring Program notes that social effects of the Project are expected to vary across regions, and the widest scope and magnitude of effects is expected to occur in the Local Region closest to the Project (i.e., including the KCN communities, as well as Thompson and Gillam). Anticipated social effects were identified in the EA Report. The SEMP has been designed to address these potential effects and to identify and respond to any unanticipated effects of the Project.

The objectives of social monitoring for the Keeyask Infrastructure Project are as follows:

- To document the Partnership's ongoing discussions with the KCN communities and the Town of Gillam and the City of Thompson regarding Project impacts;
- To document outcomes of on-site cultural and employee retention activities during construction; and
- To document transportation safety.

6.2 ONGOING DISCUSSIONS WITH THE KCN COMMUNITIES, THOMPSON AND GILLAM

Discussions between Manitoba Hydro and KCN leadership regarding KIP effects have been ongoing throughout KIP construction, through KIP's Monitoring Advisory Committee and other Keeyask-related forums. Manitoba Hydro staff have also maintained communication with City of Thompson and Town of Gillam representatives to obtain their observations regarding any KIP effects on the two communities.

In addition, KCN representatives have undertaken discussions with KCN stakeholders to obtain their observations regarding any worker interactions with residents of KCN communities, and Manitoba Hydro representatives have undertaken similar discussions with various Thompson and Gillam stakeholders. The recently established Gillam Worker Interaction Subcommittee has also provided a source of information on potential worker interactions in the Gillam area. (*See 6.5 – Worker Interactions for additional information.*)

Information provided through these mechanisms will continue to be utilized in the implementation of social monitoring for the Keeyask Generation Project.

Of note is the fact that, given various developments currently taking place in the area, community representatives and stakeholders have cited difficulties in specifically attributing potential effects to KIP.

6.3 CULTURAL AWARENESS ACTIVITIES

The Project's Employee Retention and Support (ERS) services have been provided under a Direct Negotiation Contract with the Fox & York Keeyask Joint Venture Company. This service has provided for various on-site measures to ensure that sensitivity and respect for cultural differences are demonstrated. These measures have included the development and implementation of Aboriginal Awareness training for employees, and arranging for cultural ceremonies at important project milestones. Employee Retention and Support staff arrived on site on March 18, 2013.

By July 31, 2014, ERS staff had held 26 Aboriginal Awareness training sessions, with a total of 207 on-site workers participating.

Four ceremonies were arranged by ERS staff to mark project milestones. These included pipe ceremonies for the North Access Road and test ice boom, a blessing at the main camp pad, and a stream-crossing ceremony. Prior to the ERS staff arriving on site, KCN partner communities held 4 site ceremonies to mark milestones at Looking Back Creek, the North Access Road, and at various borrow pits. These included a pipe ceremony, a water ceremony and prayers.

6.4 TRAFFIC AND SAFETY

The KIP SEMP identifies a potential for an increase in traffic on Provincial Road 280 (PR 280) during construction of certain components of the Project. Manitoba Hydro is currently working with Manitoba Infrastructure and Transportation (MIT) with regards to information on traffic levels and collisions on PR 280 during KIP construction.

The north access road is intended to connect PR 280 to the proposed Keeyask Generating Station site. Access is controlled by means of a security gate at the intersection of the access road and PR

280. The gate office is staffed 24 hours a day, seven days a week. Road use and traffic incidents along the access road are monitored through gate records and by security reports from patrols.

Information collected includes documentation of the types of users on the access road, and monitoring of any incidents associated with non-construction use of the road, consistent with the Project's Access Management Plan.

Data collection for the road began on July 18, 2012, initially by a temporary contractor. A Security Services Direct Negotiated Contract was signed with the Fox York & Sodexo Joint Venture Company in November 2012, and they took over data collection in February 2013.

Table 10 provides a summary of traffic on the access road during the reporting period. On average, 94 vehicles per day used the road from July 18, 2012 to July 31, 2014. To date, the access road has not been used for non-construction-related traffic.

Table10: Traffic on the access road July 18, 2012 to July 31, 2014

	2012						2013												2014						
	Jul	Aug	Sep	Oct	Nov	Dec*	Jan	Feb	Mar	Apr	May	Jun	Jul**	Aug	Sep	Oct	Nov	Dec*	Jan	Feb	Mar	Apr	May	Jun	Jul
Total	513	1643	3454	5748	4214	1605	1078	1576	2022	3218	4114	2939	4938	8092	5710	6066	3538	1242	547	643	262	1614	1780	1974	3332
Daily Average	17	53	115	185	140	52	35	56	65	107	133	98	159	261	190	196	118	40	18	23	8	54	57	66	107

* Reduced traffic due to Christmas Leave shutdown.

** Reduced traffic due to fire evacuation - July 3rd to 16th.

Source: Manitoba Hydro

Note: Vehicles by month, with daily average (July 18, 2012 to July 31, 2014). July 18, 2012 was the temporary security start date.

6.5 WORKER INTERACTIONS

KIP's Environmental Assessment (EA) Report identified a potential for socio-economic effects related to worker interactions, particularly in the KCN communities, Gillam and Thompson.

As noted in 6.2 – *Ongoing Discussions*, Manitoba Hydro has established a Worker Interaction Subcommittee. This Subcommittee is part of a corporate-wide initiative to address anticipated increases in the Gillam area workforce resulting from Keeyask and other Manitoba Hydro projects being constructed in an overlapping timeframe. It is intended as a forum for information sharing and communication related to this anticipated increased workforce in order to provide for early identification of potential worker interaction concerns, prevention of issues to the extent possible, and identification of ways to work cooperatively to address issues as they arise. In addition to Manitoba Hydro, Fox Lake Cree Nation, and the Town of Gillam, other

stakeholder members are determined on an as needed basis. With respect to reporting, due to the sensitive nature of the topics addressed, some information will remain confidential.

Also as noted in 6.2 – *Ongoing Discussions*, KCN representatives have recently undertaken discussions with KCN stakeholders to obtain their observations regarding potential KIP worker interactions with residents of KCN communities, and Manitoba Hydro staff have undertaken similar discussions with various Gillam and Thompson stakeholders, including representatives of local businesses, and social services and health providers. In addition, communication with representatives of the City of Thompson and the Town of Gillam regarding KIP effects (*see 6.2 – Ongoing Discussions*) have included their observations regarding any worker interaction-related effects.

Information provided through these mechanisms will continue to be utilized in the implementation of social monitoring for the Keeyask Generation Project.