

LABOUR RELATIONS

Performance Overview

- Continued \$2 million commitment to Aboriginal Trades Preparation Program at Keyano College
- \$1 million donation to Father Mercredi High School Technology Centre develops future workforce
- Continued joint industry and union collaborations to address future labour shortages

Our Commitment

When Syncrude has a need for skilled labour, our commitment is to employ Albertans and Canadians first. If unions are unable to source Canadian workers, they will then seek tradespeople in the United States, and then, if needed, other countries. Syncrude makes every effort to treat these workers with respect and to instill our three key values of safety, productivity and schedule among all those who contribute to our project-related work.

Addressing the Availability of Skilled Labour

In addition to our regular workforce, Syncrude relies on a large contingent of skilled tradespeople who contribute to many functions at our site, including major maintenance turnarounds and construction of new projects. These workers are primarily sourced through the [Building Trades of Alberta](#), which represents 16 trade unions and 60,000 union members, and has the ability to draw from union halls across Canada. In the event that workers cannot be found in Canada, the Building Trades then sources from the United States and Ireland where skills and certifications are comparable to those in Canada. For example, on our major 2011 turnaround, less than one percent were brought in from outside of Canada.

Our demand for skilled tradespeople is taking place in a highly competitive environment for labour resources. Overall, labour needs at Syncrude and elsewhere in Alberta and Canada are expected to grow significantly between 2012 and 2020. At the same time, many workers will retire during this period. Without active labour market intervention, demand will likely exceed market supply capacity. By actively working with our partners, we are pursuing a number of initiatives to further develop more skilled workers in Canada. As well, we

continue to focus on making strategic investments that encourage youth to choose trades as a career, such as the [Father Patrick Mercredi High School Science and Technology Centre](#), [CAREERS: The Next Generation](#), and program development at [Keyano College](#).

Management Approach

The Syncrude Labour Relations Executive Steering Committee, composed of senior Syncrude leaders, assesses our labour workforce needs and develops short- and long-term strategies to meet those needs. This committee also oversees Syncrude's engagement with several external stakeholder organizations that are working to influence labour market outcomes. They include:

Construction Owners Association of Alberta

The COAA provides leadership to enable the Alberta heavy industrial construction and industrial maintenance industries to be successful in safe, effective, timely and productive project execution. A Syncrude leader serves on its Board of Directors. In 2011, the Association issued a position paper on Heavy Industrial Construction and Maintenance Workforce Challenges in Alberta. It forecast a national scarcity of skilled trades that will be most acutely felt in Alberta's heavy industrial construction and maintenance industries. The paper sketched a vision for the Alberta workforce of the future and provided recommendations for a combination of near-term and medium-term actions. View the [paper](#).

National Owners Forum

This group of major construction project owners from across Canada, including Syncrude, convened in 2010 to develop a five-year strategy for 2011-16 to cooperatively address the workforce challenges facing the construction industry. The strategy set out a 26-point implementation plan for owners, industry, educators and trainers, governments and other stakeholders to address the issues identified by the group. View the [strategy](#).

Alberta Owners/Building Trades Canadian Executive Board Partnership

This group is comprised of construction project owners and labour representatives (unions). It is co-chaired by a Syncrude leader on behalf of the project owners and by the president of the Canadian Executive Board on behalf

of the union affiliates. The group's vision is for Alberta to have a safe, effective, productive and high value-added construction and maintenance industry. Toward this, it engages in dialogue, information sharing and the exploration of ways to effect continuous improvement. It develops and implements strategies for priority areas and collaborates with others on complementary initiatives.

Alberta Council of Turnaround Industry Maintenance Stakeholders

ACTIMS is comprised of owners, labour providers and contractors. It works to ensure an adequate and properly trained workforce for major industrial maintenance turnarounds in Alberta. The group is working to identify needed worker volumes, skill sets and qualifications; improve communication with labour providers regarding project plans and labour needs; develop standardized worker training and worksite protocols; and recruit new apprentices.

Construction Industry Stakeholders Association of Alberta

This group is comprised of construction project owners, labour providers and contractors, and is chaired by a Syncrude leader. It works to ensure an adequate and properly trained workforce for major industrial construction work in Alberta by identifying the quantities, skill sets and qualifications of needed workers; and by improving communication with labour providers with regard to project plans and labour needs. It also develops standardized worker training and worksite protocols, and recruits new apprentices.

Finding Common Ground

The construction industry stakeholders discussed earlier agree on the common themes that need to be addressed to provide a sustainable construction workforce that is able to meet short-, medium- and long-term industry needs. Working committees from the various groups focus on these issues and, where there is opportunity, federal and provincial agencies are also engaged in sustainment work. Themes include:

- continually monitor supply and demand situation;
- refine demand forecasting and work specifications for skilled trades;
- implement initiatives to improve workforce productivity;
- enhance interprovincial labour mobility;
- train more apprentices & increase training capacity;
- enhance outreach about skilled trades careers to junior high & high schools;
- enhance recruitment from non-traditional sources: women and Aboriginals;
- improve access to temporary foreign workers;
- increase immigration of skilled workers;
- spread workloads through modularization to off-site (i.e.: less remote) fabricators in different jurisdictions; and
- coordinate turnaround activities to minimize labour demand conflicts.

Treatment of International Workers

Skilled tradespeople sourced from outside of Canada and who work at Syncrude are protected by all Canadian labour regulations, as well as the respective collective agreements Syncrude contract companies have with various unions. They are treated and compensated the same as any domestic worker, and the federal government provides assurance of this through unannounced visits to the workplace. Sponsoring unions also conduct their own independent audits and assessments.