



Original article

Exploring the nature, extent, and community impacts and responses to E-RGM in Long Harbour, Newfoundland and Labrador and Sudbury, Ontario



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ABSTRACT

The growing prevalence of employment-related geographical mobility (E-RGM) is introducing a number of impacts on both source (e.g. places of residence) and host (e.g. places of work) communities. Understanding the nature and extent of E-RGM is, thus, becoming imperative for local, regional, and national stakeholders to mitigate challenges, build on opportunities and identify appropriate responses. This paper explores the nature and extent of E-RGM in the nickel-processing sector in Long Harbour, Newfoundland and Labrador and Sudbury, Ontario, highlighting potential factors influencing mobility in these contexts. It also assesses the impacts of E-RGM on these communities and identifies respective responses to E-RGM by company officials, all levels of government, and other community organizations. To understand E-RGM in Sudbury and Long Harbour, this research uses key informant interviews and the analysis of a variety of documents including development agreements, corporate materials, media reports and other stakeholder reports. Both communities have nickel-processing facilities owned by the same company, however, they have vastly different operations that are influenced by economic history, location, industrial structure and institutional context. This not only creates variations in the nature and extent of E-RGM but also the subsequent impacts on these communities and stakeholder responses.

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1. Introduction

Over the last decade, the ‘mobilities turn’ has captured the attention of researchers in the social sciences as new technologies in transportation and communications are enhancing the mobility of people, capital, goods and information (Sheller and Urry, 2006; Cresswell, 2010, 2011, 2012, 2014). Put simply, “all the world seems to be on the move” (Sheller and Urry, 2006: 207). One topic in this diverse collection of literature is employment-related geographical mobility (E-RGM), which takes into account people who commute for work away from their place of residence that involves travel of more than 2 h daily to more extended absences and journeys lasting weeks, months or even years (Temple et al., 2011). This includes a spectrum of workers from daily commuters, to fly-in/fly-out (FIFO) workers, and temporary foreign workers.

The growing prevalence of E-RGM is introducing a number of impacts on both source (e.g. places of residence) and host (e.g. places of work) communities. Understanding E-RGM and its impacts is, thus, imperative for local, regional, and national

stakeholders to mitigate challenges, build on opportunities and identify appropriate responses. This paper provides an empirical exploration into the nature and extent of E-RGM in the nickel-processing sector in Long Harbour, Newfoundland and Labrador and Sudbury, Ontario situated within the broader literature on E-RGM community impacts and responses in the extractive industries. Both communities have nickel-processing facilities owned by Brazilian-based Vale, one of the largest nickel producers in the world. This provides an interesting look at the impact of institutional context, relative location, economic history, and industrial structure on E-RGM and the subsequent impacts on communities.¹ This paper also assesses the impacts of E-RGM on these communities and identifies respective responses by compa-

¹ This research is part of Phase I for the Nickel Processing Component in the *On the Move: Employment-Related Geographical Mobility (E-RGM) in the Canadian Context* project (<http://www.onthemovepartnership.ca>). As the co-lead of the *Nickel Processing Sector* component with Kelly Vodden (Memorial University–Grenfell Campus), we are particularly interested in studying the impacts of labour mobility on source and host communities as well as the respective responses by companies, unions, local and provincial policymakers, community organizations and other others.

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ny officials, all levels of government, and other community organizations.

2. E-RGM: host community impacts and responses

There is a growing body of literature exploring E-RGM in the extractive industries both in Canada and internationally (e.g. Australia) (see for example Storey, 2001, 2009, 2010a; Markey et al., 2011; Chamber of Minerals and Energy of Western Australia, 2013; Rolfe and Kinnear, 2013; Halsam McKenzie, 2010; Halsam McKenzie and Hoath, 2014) with much of the attention focused on the rise of fly-in/fly-out (FIFO) mining, oil and gas operations. This literature offers many important insights regarding the factors influencing E-RGM and the impacts on communities. For example, individuals are increasingly choosing where to live based on their preferences for certain amenities, affordability, and proximity to family among other reasons (Ferguson, 2011; Walsh, 2012). A recent report by the Chamber of Minerals and Energy of Western Australia (2013) argues that FIFO operations and E-RGM are a way to provide choice to the worker on where to live and where to work, which is seen as paramount in a competitive labour market. They further argue that attracting and retaining workers would be seriously impeded if companies were forced to adopt residential employment. Put simply, many workers (and their families) are no longer content with living in often isolated or rural resource-based towns (Storey, 2009).

Corporate decisions have also played a strong role in the nature and extent of E-RGM. In some instances, like resource extraction, location is defined by access to resources. However, many companies turned to fly-in/fly-out (FIFO) operations in remote locations due to the costs of establishing 'new towns' (Storey, 2001, 2010a). E-RGM also provides a much larger labour market for companies to draw from and greater access to skilled workers. Rolfe and Kinnear (2013) also suggest resource companies favour E-RGM because of practicality (e.g. the remote locations), timelines or contracts, and to avoid difficulties with having to provide housing and social services infrastructure. E-RGM can also arise from government regulations. For example, many policymakers have grown weary of supporting 'new towns' associated with resource development while environmental regulations can also influence the scale of development (Storey, 2001, 2010a).

This literature on E-RGM in the extractive industries has also highlighted a number of implications for both source (e.g. place of residence) and host (e.g. place of work) communities. For example, host communities – which are the focus of this research – face increased demands on infrastructure, services, and housing by temporary or transient workers. This can, in turn, increase the cost of living for the people who live in these communities (Markey et al., 2011; Morrison et al., 2012). Storey (2010a, 2014) further describes fly-through and fly-over effects as significant concerns for communities near FIFO operations. "Fly-through" effects take into account the added costs on communities of having commute workers use services and infrastructure with little to no compensation or benefits. "Fly-over" effects, on the other hand, include communities near FIFO operations being bypassed by benefits like employment and business opportunities that accrue instead to larger metropolitan areas located beyond the boundaries of the resource region. However, E-RGM in host communities can also provide benefits for new business opportunities (e.g. gas stations and rest stops), increased housing development and municipal taxation, rental opportunities, and industrial tax benefits.

While the impacts are well documented, there is less known about the responses to these community impacts. One example is the Fair Share Agreement in the Peace River Regional District in British Columbia, which is dealing with "fly-through" effects in

that region. In the 1990s, the district was experiencing challenges related to the growing oil and gas industry, including increased pressures on infrastructure and services and a highly transient and seasonal workforce. Despite these direct impacts, most of the oil and gas activities were occurring beyond municipal boundaries on private and/or crown land, which eliminated the opportunity to pay for some of these additional costs through an industrial tax base. The Fair Share Agreement is a Memorandum of Understanding between the provincial government and a number of communities in the region. It essentially provides financial resources to assist with increased demands on services and infrastructure in municipalities with no legal authority to access the industrial tax base beyond their boundaries (see Markey and Heisler, 2011; Markey et al., 2011 for more detail).

Ryser et al. (2014) also provide a comprehensive overview of responses in the Peace River Regional District to a number of challenges caused by large-scale resource development projects that are attracting a large number of mobile workers. These challenges include an infrastructure deficit, human and social services provisions, services to industry, and housing issues. In addressing the infrastructure deficit, municipalities in the region are investing in research activities, using official plans and zoning to direct development, working with industry to address water and infrastructure demands, and creating regional roundtables on specific issues. For human and social services provisions, organizations are developing regional partnerships to share capacities like grant writers, government-postsecondary-and industry partnerships are working on skills training and program expansion, and a Family Friendly Initiative has been developed as a toolkit for businesses to incorporate ideas like flexible work hours. With regards to services for industry, Energy Services B.C. has created a procurement system for industry and a quick pay system has been developed to process invoices online. Finally, for housing, municipalities are encouraging densification (e.g. channelling development into designated areas to prevent uncontrolled expansion), zoning for secondary suites in homes, and providing financial incentives to the private sector.

This growing body of literature on E-RGM in the extractive industries underscores the need for stakeholders to understand the nature, extent and impacts of labour mobility so that appropriate responses can be developed. This research adds to these examples by exploring E-RGM in Greater Sudbury in the Canadian province of Ontario (ON) and Long Harbour-Mount Arlington Heights in the Canadian province of Newfoundland and Labrador (NL). It also explores E-RGM in the nickel-processing sector, which has received little attention in the academic and policy literature.

3. Case studies in the nickel processing sector

Greater Sudbury ON and Long Harbour-Mount Arlington Heights NL² were selected as comparative case studies for several reasons. Both have nickel-processing facilities owned by Brazilian-based Vale, one of the largest nickel producers in the world. Yet operations and outcomes differ despite this common corporate actor. Both are also experiencing construction at their nickel-processing facilities. These two jurisdictions also provide an opportunity to identify how economic history, population size, and relative location impact the nature and extent of E-RGM as well as the community impacts and responses. As seen in Table 1, Sudbury and Long Harbour are rather different with regards to population

² Greater Sudbury and Long Harbour-Mount Arlington Heights are the formal names of these municipalities, however they are more commonly known as Sudbury and Long Harbour.

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