

## CASE STUDY NB POWER GENERATES LONG-TERM STABILITY WITH INNOVATIVE LABOUR ALLIANCE AGREEMENT



When NB Power helped to negotiate the National Maintenance Agreement in 1983, the electrical utility set the stage for three decades of efficient maintenance and good labour relations—and helped transform the maintenance industry across Canada in the process.

New Brunswick Power is a provincially owned Crown Corporation that generates and delivers most of the province's electricity. During the 1970s and '80s, the corporation expanded its conventional generating capacity and built its first nuclear plant. That period of construction was marked by labour disputes and, once the projects were complete, the corporation decided that a new approach was needed. Ensuring that maintenance can be completed safely and without interruption is very important for NB Power's ongoing success.

In 1983, NB Power approached the General Presidents' Maintenance Committee (GPMC) to discuss a new kind of maintenance agreement. The result, the National Maintenance Agreement (NMA), was a groundbreaking accomplishment for both parties.

The GPMC is an alliance of 13 international construction unions. During its first 30 years, the committee administered agreements in which a single contractor would provide all long-term maintenance services for an industrial site. The NB Power agreement changed that.

NB Power required labour stability, but used more than one maintenance contractor per site. Its nuclear, coal, fuel oil, natural gas and hydroelectric power stations used different technologies that required different maintenance skill sets. The corporation had its own maintenance staff, but also used a number of contractors to supplement its workforce, primarily during shutdowns.

The utility's negotiations with the GPMC led to the National Maintenance Agreement (NMA), which is tailored for situations in which two or more contractors provide short-term or intermittent maintenance. The agreement provided NB Power with access to the skilled construction tradespeople needed to augment its maintenance staff during outages—but it also opened doors for the GPMC. The committee added a business line and an administrative entity, the National Maintenance Council (NMC), to its operations, altering its name to reflect the evolution. Today, contracts under the National Maintenance Agreement account for more than 40 percent of GPMC/NMC activities.

The National Maintenance Agreement started working for NB Power as soon as it was in place, and has been delivering consistent results ever since. The agreement ensures that the utility has access to the required maintenance people at all times—within 48 hours if there is an urgent need.

Planning is critical, according to Charlie Ryan, Director of Engineering with NB Power Generation. The company makes comprehensive maintenance plans and informs the unions about upcoming labour requirements, so the 48-hour clause is rarely used. "Routinely, we know we'll have the people we need," he says. "There are times when we need extra people on very short notice, and we have been very successful in securing human resources in order to get the job done."

Access to skilled labour is essential, but for Ryan, the most important aspect of the agreement is workforce integration. "The agreement mirrors what we do with our own teams," he says. "We do not have one set of rules for our own people and another for contractors' employees. The two groups work the same hours and shifts, and the result is seamless, safe and successful outages."

The two workforces share a culture that puts safety first. "As a utility, our focus is on making sure that everyone goes home safe and healthy. Nothing is a success if we've hurt someone," explains Bill Mouland, NB Power's recently retired Construction Manager. "We work in an industrial environment and we have a strong safety culture supported from the top down. Safety must be instilled in the front-line worker, and that comes from the foremen and the union hierarchy. The unions are very supportive of the company's safety initiatives and provide safety training. The GPMC is right there with us too, and has helped to get some kinds of safety training embedded in the agreement."

Over the decades, NB Power has developed a close relationship with the GPMC and the trades. That relationship is built on trust, respect and good communications, according to Ryan: "Just having one point of contact to help resolve issues is very helpful. If I have an issue, I can pick up the phone and talk to GPMC's Executive Director, who will negotiate on behalf of the unions. So dispute resolution is much easier, more streamlined."

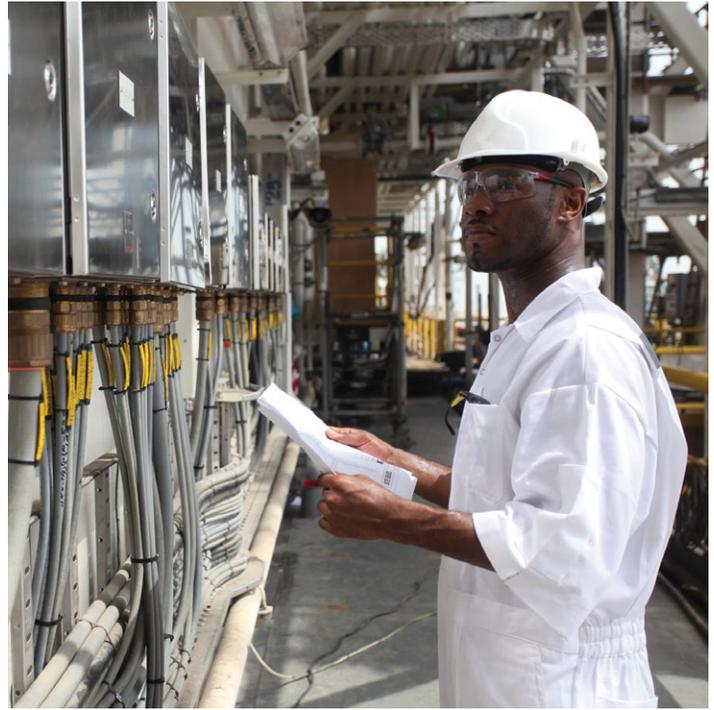
Mouland emphasizes that "NB Power's relationship with the building trades and GPMC/NMC is very powerful. It's partly a result of the size of our province—New Brunswick is a small province, and many of the company's people know most of the business agents and the president of NB Building Trades—but it's also built on a simple, straightforward agreement and on mutual trust."

Ryan agrees, citing the company's excellent rapport with the GPMC executive in particular. "That's one of the great benefits of the GPMC/NMC: you only have to manage one agreement, rather than a multitude of agreements. The other big benefit is the no-strike, no-lockout clause. It allows us to complete our work without being concerned about work stoppages," he says.

Good labour relations are key to managing the relationship. Annual meetings with GPMC/NMC staff, union business agents, contractors and maintenance supervisors play an important role. "The meetings provide us with an opportunity to discuss and resolve potential issues," says Mouland. "Little things build up to big things. If you can address the little things, you can build a better working relationship."

NB Power was the first company in Canada to employ the National Maintenance Agreement; it is also the only industrial owner involved in the negotiation of the agreement. The utility applies the NMA to all of its generating plants and embeds the agreement in its contracts with maintenance companies.

The utility was looking for a new way to do business after the labour strife of the 1970s. Through the National Maintenance Agreement, NB Power has enjoyed three decades of good labour relations and cost-effective plant maintenance. "The NMA has given us flexibility and allowed us to carry out maintenance in a very efficient way," says Bill Mouland. "It's a win-win agreement. We have access to the highly skilled tradespeople we need, and the building trades have a substantial volume of work that might not otherwise be open to them."



## The GPMC/NMC

The General Presidents' Maintenance Committee/National Maintenance Council for Canada (GPMC/NMC) is an alliance of 13 international unions that negotiates and administers labour agreements designed to facilitate maintenance at industrial plants. Through the GPMC/NMC, employers can negotiate single contracts covering up to 13 building trade unions.

Now celebrating its 60th anniversary, the GPMC/NMC administers agreements in eight out of 10 Canadian provinces. These agreements account for over 28 million work hours, or 14,000 full time jobs, each year.



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