

# Job Site Transportation Fund Application Guide

## Purpose

The 'Job Site Transportation Fund' is designed to provide financial assistance specifically to oil and gas drilling companies that wish to transport Yukon employees to job sites outside the territory where job site transportation costs are beyond the industry norm.

## Background and Rationale

One of the primary objectives of the Energy, Mines and Resource's Oil and Gas Business Development/Pipeline Branch is to promote the territory as a service and supply center for the oil and gas industry in the north. One component of this has been to support training and employment opportunities for Yukoners in the industry. More specifically, the Yukon Government has frequent discussions with drilling companies in respect of training and employment opportunities – since 90 per cent of rig worker training occurs on the job.

In the case of southern residents working on job sites 'south of 60', certain costs, including job site transportation, food and lodging for the duration of their shift are generally reimbursed by industry – particularly when there is a great demand for skilled drillers. In the case of Yukoners working on job sites within the territory, it is generally accepted that job site transportation costs are not reimbursed since they are already competitive. However, in the case of Yukoners wanting to work on job sites outside the territory, the high cost of north-to-south job site transportation is identified by industry as a significant employment and promotion barrier.

Demand for natural gas continues to be robust and that is reflected by the current price of natural gas. Drilling activity has also escalated in an attempt to locate new sources of gas to meet those demands. This increased drilling activity provides new opportunity for employment and training. Moreover, drilling companies continue to express an interest in training Yukoners for the long term as we develop our oil and gas industry in Yukon.

To address the challenge that drilling 'employment and promotion' prospects for trained Yukoners are prejudiced (due to higher transportation costs in respect of out-of-territory job sites), the Yukon Government will offset some transportation costs for those drilling companies committed to training and employing Yukoners on out-of-territory job sites. This 'job site transportation fund' is in direct response to the need to develop the capacity of Yukon's oil and gas workforce.

Specifically, the Yukon Government proposes to provide job site transportation financial assistance to drilling companies that are currently in the process of recruiting and assigning employees for the 2006/2007 drilling season. This will help to:

- 1) offset the high out-of-territory job site transportation costs of Yukoners;
- 2) promote, maintain and develop Yukon training and employment in the oil and gas industry; and

- 3) provide employment opportunities for those who graduate from industry-certified rig training programs.

### **Eligibility Criteria**

Applicants must:

- ❑ employ Yukon residents;
- ❑ hire Yukon graduates of industry-certified rig training programs;
- ❑ represent drilling companies and not individual employees;
- ❑ clearly demonstrate that job site transportation costs are beyond the industry norm; and
- ❑ complete the attached application form to be considered for job site transportation financial assistance.

### **Financial Assistance**

There is limited financial assistance available in this program. Applications will be reviewed on their merit as they are received. Job site transportation financial assistance is only available until **March 31<sup>st</sup>, 2007**.

Successful applicants must enter into a contribution agreement with the Yukon Government and will require the submission of:

- ❑ all invoices and supporting documents by April 7, 2007, and
- ❑ a brief report that includes the number of Yukoners employed, the locations in which they worked and their respective employment positions.

### **How to Apply**

Applications can be obtained from and must be submitted to:

Ron Sumanik  
Manager Oil and Gas Business Development and Pipelines  
Oil and Gas Business Development/Pipeline Branch (K-11)  
Government of Yukon  
P.O. Box 2703  
Whitehorse, Yukon Y1A 2C6  
Phone (867) 393-7043 or fax (867) 393-7046  
E-mail: [ron.sumanik@gov.yk.ca](mailto:ron.sumanik@gov.yk.ca)

# Job Site Transportation Fund Application Form

Date \_\_\_\_\_, 200\_\_

Applicant (Company Name) \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_

Mailing Address if different from above:

Telephone \_\_\_\_\_  
Fax \_\_\_\_\_  
Email \_\_\_\_\_

On a separate sheet of paper, please describe the drilling program(s) for which you are seeking mobility assistance. *Be sure to include location, duration, and an explanation of how your program meets the eligibility criteria. In addition, please provide specific details on the information requested below:*

1. List the approximate number of Yukon residents you propose to employ in your drilling operations specifically at entry-level positions.
2. Indicate the industry-certified rig training that these Yukon residents have obtained to meet your employment criteria.
3. Indicate the dollar amount that is normally provided by your company to transport an employee to this same job site. Demonstrate that transportation costs are beyond the industry norm by indicating the frequency of travel, mode of transportation, the distance from Whitehorse to the job site and the estimated cost of this transportation.

Amount of funding requested? \$ \_\_\_\_\_

Has your company applied to other funding sources in Yukon for job site transportation financial assistance in respect of this drilling program? Yes   
No

*(If yes, then specify the dollar amount and source of funding.)*

➤ \$ \_\_\_\_\_ from \_\_\_\_\_

Applicant (Company Representative) \_\_\_\_\_  
(name)

\_\_\_\_\_  
(title)

\_\_\_\_\_  
(signature of company representative)