

# Settlement recognizes Native hiring preference

By BILL HESS

Tundra Times

The federal government has, for the first time ever, used provisions of the Indian Self Determination Act to sanction a contractor who failed to

meet Indian preference hiring requirements. The action took place late last month when the U.S. Department of Health and Human Services reached a settlement with Bethel Native Corporation, requiring the cor-

poration to pay nearly \$42,000 in back wages to Native workers from the Calista region.

The Natives had been passed over for non-Native workers in violation of a contractual agreement between BNC and

DHHS, working through the Indian Health Service and the Alaska Area Native Health Service.

The settlement came as the result of a protest by the Association of Village Council

Presidents, the non-profit corporation for the shareholders of the Calista region. BNC had contracted with the Indian Health Service in 1980 to construct 40 homes for staff of the Bethel hospital.

As the money for that project was being provided by the federal government to benefit Native people, Section 7b of the Indian Self Determination Act, which calls for preferential hire of Native workers, applied.

Largely through the efforts of AVCP, language was put into the contract between IHS and BNC which required the corporation, and any subsidiaries or subcontractors also working on the project, to inform AVCP before hiring any non-Natives. AVCP would then have 72 hours to find a qualified Native worker for the position.

Bruce Day, the contracts monitoring officer of the Tribal Employment Rights Office of AVCP, noted that the organization had prepared a list of Native workers available and in need of employment. After monitoring the project and carrying out on-site inspections, AVCP determined that BNC and five subcontractors had violated the Indian preference provision a number of times.

Jim Miles, an attorney with the Indian Health Service in Seattle, investigated AVCP's complaints. His investigation (Continued on Page Two)

# Indian preference upheld

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confirmed that BNC and its subcontractors had paid out \$98,574.33 to non-Native workers hired when there were qualified Natives available.

Under the terms of the settlement, BNC must immediately pay \$41,857.66 to the Native workers through AVCP who will distribute the awards in amounts ranging from \$20 to \$4,000. BNC will be forgiven the rest of the amount if it demonstrates its good faith by observing Indian preference consistently for the next three years.

Day expressed pleasure with the agreement. "It shows the government is serious about Indian preference," he explained. "It will go to whatever lengths necessary to see that Indian preference is met."

Day speculated that other Native corporations throughout the state might now be encouraged to seek language in federal contracts reached for the benefit of Native people which would guarantee Indian preference in hiring. He noted that school construction pro-

jects in Point Lay and Tatitlek have already had such language written into their contracts.

Money coming into the state through the Bureau of Indian Affairs for school improvements would also be subject to such requirements. George Canelos, general manager for BNC, also praised the settlement. "It think it's a very fair settlement; very livable, very workable."

Canelos, who has been with BNC since June, said that while the corporation was clearly at fault, he believed the violations came more as a result of a lack of communication and misunderstanding of the requirements than by any intent to evade the Indian preference requirements.

"This kind of thing could happen to any corporation working with a federal contract," Canelos said, "if they are not very careful in reading the contract."

Day praised Canelos as being eager to work with AVCP and to implement Native preference. "He was working for that even before the settlement was reached," Day said.

Canelos agreed. "AVCP and BNC are on good working terms now. We've got a good working relationship going; something we should have had a long time ago."

Day also praised Hoffman/Langley Construction, a sixth subcontractor who did their share of the work with 100 percent Native hire. He also noted that the work of Hoffman/Langley was among the most trouble-free construction put into the project.

The other companies against whom violations were found included Kusko-Yukon, Pahute Painting and Drywell, Kohl-Lang Electrical, Jerry's Plumbing and Heating and Earthmovers, Inc.