



Comments on the

People-Centred Just Transition Discussion Paper

SUBMISSION TO THE GOVERNMENT OF CANADA

For hundreds of thousands of Canadians, the transition towards a low-carbon economy is set to be incredibly difficult. The transition is predicted to result in a loss of between 312,000 to 450,000 jobs among workers employed by or providing support to the oil and gas sector and its supply chain. This is a staggering number of jobs gone at potentially great economic and social cost. But there are actions government, organizations, communities and others can take to significantly lessen, if not eliminate entirely, the sting.

There are numerous examples of workers and communities languishing for extended periods after the main economic engine left town. Think of the “Rust Belt” in the United States following the decline in manufacturing, North Rhine-Westphalia in Germany as a result of the coal-phase out, and – within our own borders – Newfoundland and Labrador after the cod moratorium. The ill effects often last for decades; northeast England still hasn’t recovered its prosperity from when coal mining died in the 1980s.

Clearly, if Canada does not learn from past examples and its own history, the imminent energy transition could prove to be just as devastating economically and socially, and particularly so for certain regions including Alberta, Saskatchewan and Newfoundland and Labrador. As Canada works towards a low-carbon future, governments and other organizations must pay close attention to determining what elements are required in Canada’s just transition framework to ensure workers, communities and companies are offered a prosperous economic and social future.

In its document, “A People-Centred Just Transition: Discussion Paper,” the federal government outlines four just transition principles. We support those principles as a way of trying to make sure that Canada’s decarbonization targets can be met fairly, and in a way that minimizes—rather than exacerbates—inequalities. **However, we also strongly feel that by themselves, the four principles are insufficient and do not capture all the critical elements that must inform a just transition.**

In addition to the principles stated by the Government of Canada, we recommend the following two principles be added:

JUST TRANSITION RESOURCES SHOULD BE FOCUSED ON THE REGIONS AND COMMUNITIES DIRECTLY IMPACTED BY JOB LOSSES AND CLOSURES.

Family-supporting jobs need to be replaced in the same regions that are losing them; it’s not good enough to create a similar number of jobs across a much larger geography.

As written, the principles do not acknowledge the need not just to preserve or increase the total number of jobs, but to ensure that jobs are made available *in the same regions and communities* in which job losses occur. This may seem obvious, but if not made explicit in the principles, it could easily be overlooked, resulting in undesirable outcomes, including mass migration, the collapse of the tax and revenue base for entire communities and the development of ghost towns.

A JUST TRANSITION MUST SUPPORT WORKERS, COMMUNITIES AND COMPANIES: EACH HAS UNIQUE NEEDS AND ALL CONTRIBUTE TO THE PROSPERITY OF PEOPLE.

Individuals are affected because they are the ones who face the loss of jobs and income.

Supports for individuals must be targeted to maintain their current quality of life. Often, as work in one sector disappears, new sectors open up, but that does not always

happen in the same locations. In a transition as wide and deep as this one, the need for relocation of large numbers of people must be avoided. New employers can be enticed to affected communities if, among other factors, they are guaranteed an adequate pool of talent. To provide this guarantee, dislocated workers will need to improve the range and depth of their skills and competencies to meet the demands of potential employers. Individuals will need a range of options to upskill or even reskill based on their interests and aptitudes and the new occupational choices that are presented. Any training solutions must be as targeted and as rapid as possible.

Communities are vulnerable to the out-flow of skilled labour, the loss of tax revenue, and the loss of resources (both money and people) to maintain local infrastructure and institutions. Just Transition support for communities should be targeted to support economic diversification, through identifying skills and capacities available in the community, matching these with the labour and resource needs of different industries, and then attracting new employers to the community.

The government's Just Transition document acknowledges the key role of individuals and communities but has very little mention of companies. It is more efficient to transition existing companies to providing a new product or service than to create new companies or attract different ones to a specific location. Keeping companies intact keeps jobs local. It also maintains the support and supply chain of that company, with knock-on effects. And it keeps intact relationships and management structures that have been built over years and have been successful. As an example, the Calgary Herald recently [profiled](#) a company that pivoted from making downhole tubing to producing 100 percent compostable PPE for COVID protection—enabling the company to not just retain its employees, but to create 350 new jobs in the process.

In addition to the two principles above, we also suggest one specific action that the federal government should take to help achieve the objectives of the Just Transition:

ROBUST LABOUR MARKET INFORMATION (LMI) SHOULD BE COLLECTED NATIONALLY TO SUPPORT IDENTIFICATION OF NEW EMPLOYMENT OPPORTUNITIES FOR WORKERS IN REGIONS DIRECTLY IMPACTED BY JOB LOSSES AND CLOSURES.

The distribution of employment in the fossil fuel sector is concentrated within certain provinces and communities and during the transition to a low-carbon economy those areas will face more worker dislocation. Regional policy-makers and local economic development agencies must work to attract new employers. To guarantee a talent pool that will match the needs of potential employers their needs to be robust, granular, regional level labour market information about the size of the talent pool and their full competency profiles.

Currently, however, there is no comprehensive database that maps the knowledge and skills (competencies) of workers at each community level. Rather, LMI is collected by the four- and five-digit NOC (National Occupation Classification) codes and by industry sector. This fails to differentiate the number of people with specific competencies that will be required by new employers. It also does not illuminate the competency gaps within the talent pool, making transition training much less targeted and therefore more likely to fail.

Thank you very much for the opportunity to comment on this discussion paper.