



Official Submission to the Government of Canada

Considerations for the development of just transition legislation

Introduction

We are pleased to provide comments in support of the Government of Canada's consultation exercise on its proposed just transition legislation.

The Business Council of Alberta is a non-partisan, non-profit, for-purpose organization composed of the chief executives and leading entrepreneurs of Alberta's largest enterprises. Our members represent the majority of Alberta's private sector investment, job creation, exports, and research and development. We are dedicated to building a better and more prosperous Alberta within a strong Canada, including supporting a just transition for workers impacted by our evolution to a low-carbon future and Canada's net zero ambitions.

Our commitment to just transition and workforce engagement is evident through the creation of our Task Force on Long-Term Unemployment and Workforce Transition (the Task Force). The Task Force is dedicated to developing policy and public/private sector program recommendations to help address long-term unemployment and workforce transition in Alberta.

The Business Council of Alberta broadly supports the principles in this legislation but notes that they are far from comprehensive, and do not capture all the specific and critical elements that must inform a just transition, and offers recommendations in this paper to address these gaps.

Context

The federal government, through Natural Resources Canada, is consulting with Canadians on the development of just transition legislation that will help workers and communities as the world moves to a low-carbon future. The goal is to create a people-centred transition which includes supporting Canadians and equipping them with the skills and training they need.

This legislation is being developed in recognition of the fact that the transition will have varying impacts across the country, between sectors and across demographic groups. As noted in the discussion paper published by Natural Resources Canada, legislation could include:

1. Just transition principles that put workers and communities at the centre of policy and decision-making processes; and
2. The establishment of an external Just Transition Advisory Body to provide advice on regional and sectoral strategies that support workers and communities.



The Business Council of Alberta is pleased to offer the following observations and recommendations on the two points outlined above.

1. Proposed Just Transition Principles

As a starting point, Natural Resources Canada proposes four principles for a “people-centred just transition”:

1. Adequate, informed and ongoing dialogue on a people-centred, just transition should engage all relevant stakeholders to build strong social consensus on the goal and pathways to net zero.
2. Policies and programs in support of a people-centred just transition must create decent, fair and high-value work designed in line with regional circumstances and recognizing the differing needs, strengths and potential of communities and workers.
3. The just transition must be inclusive by design, addressing barriers and creating opportunities for groups including gender, persons with disabilities, Indigenous Peoples, Black and other racialized individuals, LGBTQ2S+ and other marginalized people.
4. International cooperation should be fostered to ensure people-centred approaches to the net-zero future are advancing for all people.

Comments and observations:

The Business Council of Alberta broadly supports these principles but note that they are far from comprehensive, and do not capture all the specific and critical elements that must inform a just transition.

To that end, we offer for consideration the following points which we believe should be reflected in any principles that would guide future just transition legislation.

- Despite the fact that the business community plays a central role in a just transition, there is no mention of business in the proposed principles. Businesses have firsthand knowledge of the skills that will be needed to access new employment opportunities, whether in clean energy, tech, emerging local businesses, or in industries the community is seeking to attract. They know firsthand what current skills shortages are, and what skills will be needed in future. As such, business representatives should be at the table alongside workers and communities in the development of just transition programming and supports. Doing so will enable the greatest amount of opportunity for the greatest number of affected workers.
- The suggested principles rightly acknowledge that historically disadvantaged groups need to be considered in just transition policy design, as they are often among those most in need of support. That consideration should be framed within the context that a just transition should focus primarily on those workers currently



working in affected jobs and who are most likely to lose employment; and those least likely to be able to transfer their skills and get the training or support they need.

- A just transition should reflect workers' preferences and skills, providing them with a suite of options rather than be limited to the provision of training for specific clean energy or clean tech jobs.
- A just transition should take place in the context of a vibrant and growing Canadian energy sector that continues to add economic value, while also contributing to climate solutions.
- Just transition resources should be focused on the regions and communities directly impacted by job losses and closures.
- There is a widely acknowledged need for better labour market information to help inform policy and decision-making. Creating and leveraging data is key to informing a just transition.
- Just transition programming should leverage best practices in other jurisdictions.
- Policy success should be tracked and measured by the labour market outcomes they achieve, notably stable, full-time employment. Clear, outcomes-based success metrics are critical to effective program design.

2. External Just Transition Advisory Body

The second proposed component of the just transition legislation is to establish a Just Transition Advisory Body to provide advice on regional and sectoral strategies that support workers and communities.

The NRCan discussion paper suggests that the Government of Canada is considering establishing such an advisory body which would be mandated to:

- Engage in ongoing consultations with Canadians and stakeholders; and
- Provide independent advice to the government with practical, realistic and affordable recommendations.

BCA comments and observations:

An independent advisory body could be useful in formulating policies and recommendations towards a just transition.

However, the composition of the advisory body is critical to its success. It should be exclusively staffed by subject matter experts that represent a range of stakeholders critical



to economic success. These must include business leaders and human resources professionals, as well as community leaders, labour representatives, experts in economic development and transition program design, capital market leaders, and others.

The Advisory Body should be adequately financed to undertake extensive consultations with affected communities, workers and businesses, and engage additional experts as needed. It should not only make policy recommendations to the federal government, but there should be an accountability mechanism put in place whereby the government must publicly report on its progress in implementing those recommendations. In cases where no action is taken, the government should have to explain its inaction.

Moving Forward

BCA wishes to thank Natural Resources Canada for the opportunity to contribute to this consultation exercise. Our organization and our Task Force are committed to supporting a just transition for affected workers and creating high-quality opportunities, employment alternatives, and education/training programs to help affected workers succeed. We welcome the opportunity to contribute our members' insight and expertise to future program design and to advance a truly just transition for affected Albertans and Canadians.