

AUPE Environmental Committee: Response to the Government of Canada's Consultation on a People-Centred Just Transition

It is encouraging to hear the Government of Canada is initiating a conversation about a Just Transition to a low-carbon economy. The Alberta Union of Provincial Employees (AUPE) Environmental Committee hopes Ottawa is prepared to listen and engage in real, meaningful consultation with everyday people. The Government of Canada must make the low-carbon transition just and equitable to ensure all Canadians fully benefit from these efforts.

Alberta's economy is the most carbon-intensive in Canada and has long been tied to the fossil fuel sector. Consequently, many working families are directly or indirectly financially dependent on the oil and gas industry.

Most workers know we are rapidly approaching a tipping point that is forcing the world to transition away from fossil fuels. A recent poll¹ of fossil fuel industry workers found 67% think Canada needs to take more action to address climate change, 61% believe Canada should pivot towards a net-zero economy, and 69% are interested in switching to a career in the net-zero economy. But most are scared about being left behind and require the tools and support to successfully transition to a net zero economy.

Just Transition policies give workers the power to determine their futures by participating in the decisions that affect them. Albertans, especially workers in the fossil fuel industry and those whose livelihoods are threatened by climate change, deserve to have their voices heard.

Governments need to protect and support workers in the shift to a low-carbon economy by creating new and better opportunities for Albertans. This must be done in partnership with those impacted by the transition to net zero. The federal government should work alongside communities, civil society groups, trade unions, non-unionized workers, Indigenous leaders, all levels of government, and industry to develop programs, plans, and policies that facilitate a smooth transition while supporting workers and communities.

For us, a Just Transition is an outcome and a process. It is important to consult early and often with unions and directly with workers and communities affected by the energy transition. Workers are not a monolith and should not be treated as such. It is important to recognize that approximately 80% of people who work in the oil and gas industry are not unionized². It is essential to have these perspectives reflected in any Just transition initiatives. In addition to the approximately 170,000 workers directly employed in Canada's oil and gas industry, hundreds of thousands more depend on the sector^{3,4,5}. Just Transition policies, programs, or plans must recognize those Canadians directly and indirectly affected by the energy transition and support them through the transition.

The Government of Canada must recognize that the path to upskilling or retraining for many energy-sector workers displaced by the energy transition will not be smooth. Although the energy transition will create new jobs, many will be in sectors (e.g., outside the energy and cleantech sector) and geographic locations that differ from those displaced, resulting in a mismatch of skills and labour availability. Reskilling programs (e.g., vocational training, post-secondary education) must have sufficient adaptability to enable workers transitioning to thrive in new industries (even if they are outside cleantech.⁶) In addition, social protections and supports (e.g., income and benefit support, pension bridging, early retirement assistance) must be available for workers who cannot transition.

¹ https://www.ironandearth.org/prosperous_transition_plan

² <https://centreforfuturework.ca/wp-content/uploads/2021/01/Employment-Transitions-Report-Final.pdf>

³ <https://www.cbc.ca/news/science/climate-targets-transition-oil-energy-1.6000224>

⁴ <https://economics.td.com/esg-energy-sector>

⁵ <https://www.corporateknights.com/sponsored/the-just-transition-building-a-net-zero-future-where-no-ones-left-behind/>

⁶ <https://www.sei.org/publications/seven-principles-to-realize-a-just-transition-to-a-low-carbon-economy/>

Therefore, The Government of Canada must prioritize "regional circumstances and differing needs, strengths and potential of communities and workers." This principle is critical for creating a truly just and equitable transition as the impacts of the transition to a low-carbon future will not be evenly felt across Canada. There will be significant economic impacts for carbon-intensive sectors, such as oil and gas, particularly in smaller more rural communities. Alberta has the most individuals (absolute and percent of total employment) employed in mining, oil, and gas extraction out of any province. Also, most of the 18 communities across Canada where energy sector jobs account for over 5% of total employment are in Alberta⁷. These locations include Calgary, Fort McMurray, and Cold Lake⁸.

Buy-in from affected communities is required for Just Transition initiatives to have successful, sustained, and substantial change. For this reason, community-level initiatives tailored to specific locales are as important as a coordinated and cohesive national strategy. The Environmental Committee supports direct funding for community-level economic development and community-oriented supports in addition to regional-specific supports for affected workers.

We also recognize that a critical factor for a successful Just Transition is the meaningful involvement of affected workers and communities when developing community-level initiatives, programs, and supports. Programs and policies must be tailored to each community, and governments must give affected individuals the tools to effectively participate in decision-making processes.

People-Centred Just Transition Principles

A Just Transition is not a single set of policies and programs. To ensure a deliberate and coordinated Just Transition for Canadians, the Government of Canada must assess potential impacts on workers and communities when considering any climate action, relevant infrastructure investments, or economic development strategies.

The People-Centred Just Transition Principles should recognize that a Just Transition is a long-term process that will unfold over decades. Different policies, programs, and plans are required at different stages within the transition. Communities undergoing the energy transition and displaced energy sector workers deserve comprehensive long-term supports. There should be an explicit commitment within the principles to support affected communities and individuals throughout the transition and fund programs that create long-term economic opportunities.

Finally, the AUPE Environmental Committee believes any Just Transition must be inclusive and welcomes the principles centred on inclusion. Additional characteristics to consider in the design of programs and policies to support those affected by the energy transition are worker age and socio-economic status.

Just Transition Advisory Body

The AUPE Environmental Committee welcomes legislation to establish a permanent advisory body to provide independent advice to the government on regional and sectoral Just Transition strategies. In creating a Just Transition Advisory Body, the Government of Canada must be willing to meaningfully engage communities and individuals directly and indirectly impacted by the energy transition. The operations of a Just Transition Advisory Body must also be transparent with strong governance and a clear mandate.

The Just Transition Advisory Body must work to build trust with workers and communities and recognize this may be challenging as the phrase "Just Transition" has become polarized and highly contentious in many areas of Western Canada⁹. Special care should be taken when selecting advisory body members to reduce perceptions of partisanship.

⁷ <https://centreforfuturework.ca/wp-content/uploads/2021/01/Employment-Transitions-Report-Final.pdf>

⁸ <https://economics.td.com/esg-energy-sector>

⁹ <https://www.uottawa.ca/positive-energy/content/addressing-polarization-what-works-just-transition-task-force>



Advisory body members should be municipalities, civil society groups, businesses/industry, unions, with special considerations to include the perspectives of non-unionized workers and marginalized people.

Just Transition Advisory Body members must be vocationally and geographically representative of the communities and individuals affected. It is highly recommended that sub-groups are created that focus on different industries in transition and geographic areas. These sub-groups could provide opportunities for a more diverse set of stakeholders (e.g., academics, industry associations, innovators, other technical experts), allowing for a more inclusive and tailored approach for each community.

Conclusion

A key challenge the Government of Canada and members of the Just Transition Advisory Body will encounter is the Government of Alberta, which has denounced the Government of Canada's Just Transition consultation plan. AUPE's Environmental Committee knows the world will transition to a low-carbon economy, with or without the Government of Alberta's support. Yet, a lack of participation from the Government of Alberta increases the complexity of program and policy development and coordinated service delivery. Although consensus on the goal and pathways to net zero is ideal, it is unlikely, and the desire for consensus should not slow the process.

The Government of Canada must take action to ensure a Just Transition to a low-carbon future. But ultimately, success will be determined by program and policy details beyond the scope of this consultation. The AUPE Environmental Committee believes that Alberta has a bright future, but many communities and individuals will need support to create new economic opportunities and prioritize worker wellbeing. Creating tailored programs and policies supporting a Just Transition that does not leave workers behind is in the best interest of all communities, provinces, and Canadians.

Sincerely,

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