

Canada's Sustainable Jobs Legislation

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**MEDIA
BACKGROUND**
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The legislation must be aligned with our climate commitments and be a catalyst for localized planning.

As countries around the world move away from oil and gas towards sustainable economies, Canada must phase out of fossil fuels and transform its high-carbon industries. This shift will ensure Canada can meet its climate targets while creating a more prosperous and inclusive economy.

The federal government has [recognized the need](#) for a plan “to advance economic prosperity and sustainable jobs”, and recently tabled its [interim Sustainable Jobs plan](#). However, the plan falls short of what’s needed to affect a just transition.

- The plan does not give affected workers and communities any certainty that there will be regional transition plans that meet their specific needs and speak to their unique strengths.
- Moreover, the government still refuses to engage in conversations about a fair fossil fuel phase-out.

Canada’s current Sustainable Jobs strategy is incomplete, and **the promised Sustainable Jobs legislation must fill its important gaps to ensure a successful transition to a sustainable economy.**

Background: Canada's International Commitments

The term “just transition” was coined by labour unions in the 1960s to describe a process through which workers inform environmental policies in order to minimize their social and economic costs and ensure that benefits are shared fairly.

Canada’s Work to Date

Internationally, Canada has committed to enacting a just transition by, signing the Paris Agreement (2015), championing the Powering Past Coal Alliance Declaration (2017), endorsing the Solidarity and Just Transition Silesia Declaration (2018), and signing on to the COP26 and COP27 final decision texts (2021, 2022).

Domestically, in 2019 the federal government committed to advancing a just transition. But the advancement of legislation has been slow.

The Commissioner for the Environment and Sustainable Development then published [an audit on Canada's progress on a just transition](#) (2022) which found that "the federal government was not prepared to support a just transition to a low-carbon economy". The commissioner recommended the creation of a governance structure that takes a whole-of-government approach, engages key stakeholders, conducts a gap analysis of existing support programs and regularly monitors the progress on just transition outcomes.

In February 2023, Canada tabled its interim [Sustainable Jobs Plan](#), which summarized existing support programs and made commitments to create a dedicated government body ('Secretariat') an independent advisory body ('Partnership Council'), and to follow 'sustainable jobs' principles in-line with the International Labour Organization's [principles for the just transition](#).

Environmental Defence [welcomed the plan](#) but argued it must be supported by additional budget commitments and robust legislation to give affected people and communities certainty over what the future holds. Furthermore, the plan was heavily reliant on unproven technologies such as carbon capture for oil production and fossil hydrogen, false climate solutions which risk failing workers and communities, and threaten our chances of meeting our climate goals.

The Promised Sustainable Jobs legislation Must Fill Important Gaps Left by Canada's Current Strategy

Environmental Defence, Ecojustice, IISD, Equiterre and Bluegreen Canada published [Proposals for the Canadian Just Transition Act](#) to make recommendations on the key elements of the legislation. These recommendations are based on best practices from jurisdictions around the world that have already implemented just transition laws: the European Union, Scotland, Spain, Germany, and New Zealand.

Canada's current Sustainable Jobs strategy is missing the following elements, which must be addressed in the legislation:

- **Mechanisms for localized and sectoral planning** that involves affected people and communities. Legislation is needed to ensure these plans meet the unique circumstances of every region and sector but are still aligned with a country-wide strategy and guiding principles, and are accountable to the public via annual reporting. Canada's current approach, the Regional Energy and Resource Tables, does not offer that kind of cross-country coherence, certainty and accountability.
- **A credible strategy for how Canada will achieve a net-zero economy.** Canada's sustainable jobs strategy must be underpinned by credible research and analysis about which economic sectors will allow us to meet our climate targets while sustaining economic prosperity. This means the legislation should make explicit links to Canada's net-zero commitments, for example articulating how the Sustainable Jobs legislation and the [Net Zero Emissions Accountability Act](#) interact. Failure to do so risks moving people and capital towards false solutions such as carbon capture for oil production or fossil hydrogen, meaning workers and communities could be left in sunset industries.
- **An equitable approach to the transition** with policies and programs that speak to the specific needs of Indigenous nations and groups historically excluded from economic

opportunities, including racialized groups, migrant workers, women, youth and people with disabilities. The current plan falls short, making no commitment to create transition planning mechanisms for Indigenous nations, and fails to ensure that there will be equitable access to future sustainable jobs. Although the legislation is not expected to deliver specific programming, it must mandate the prioritization of equity in the planning process.

- **Specific support programs for workers and communities that act as insurance policies during the transition period.** Canada's current plans deny the need to transition away from fossil fuels, and in doing so, refuse to put in place specific support programs for workers and communities who may be temporarily impacted during the transition period. Canada needs to put aside funds to ensure no one is left behind in the transition, for example providing generous income support, early-retirement programs for workers and economic diversification funds for local governments. While the legislation will not deliver specific programming, it must mandate and empower all relevant actors to develop these programs.



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