

**EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA DETAILED ACTION PLAN**  
to the recommendations of the Office of the Auditor General Performance Audit of *Just Transition to a Low-carbon Economy*.

To note: NRCan and ESDC are proposing submitting a joint (i.e. identical) response to recommendations 30, 33 and 36

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Para 30	<p>Natural Resources Canada (NRCan), with the support of Employment and Social Development Canada (ESDC), should define how the federal government will support workers and communities in a just transition to a low-carbon economy. NRCan should</p> <ul style="list-style-type: none"> <li>Outline the federal government's approach to supporting a just transition to a low-carbon economy</li> <li>Develop an engagement strategy that includes key stakeholders that represent the diversity of affected workers and communities</li> <li>Review the federal programming to determine how existing federal policies and programs can contribute to a just transition for workers and communities</li> <li>Undertake a gap analysis to determine which policies and programs should be scaled-up to support a just transition</li> </ul>	<p><b>AGREE</b></p> <p>Action to deliver on this recommendation is underway, under the leadership of Natural Resources Canada (NRCan) and Employment and Social Development Canada (ESDC).</p> <p>NRCan, with the support of ESDC, will continue to share information on Canada's approach to advance a just transition to a low carbon economy through its website and the consultations on just transition legislation.</p> <p>NRCan, with the support of ESDC, developed an engagement strategy to support the delivery of the government's commitment to just transition legislation. Starting in March 2022, NRCan and ESDC will consult Canadians, key stakeholders, provinces and territories and Indigenous groups. The expected completion date is May 2022.</p> <p>NRCan, in collaboration with relevant federal departments, will continue to review federal programming to determine how existing policies and programs can contribute to a just transition for workers and communities, for example, as seen on the just transition website. The department will also collaborate with provinces, territories and other partners in regions across Canada to identify and advance key economic opportunities, and set the course for sustainable jobs as Canada moves to a low carbon economy.</p> <p>ESDC continues to review and implement programs that respond to current and emerging labour market needs. For example, through Budget 2021, the Government invested \$960M over three years to help key sectors of the economy, with a priority on supporting the low carbon economy, by funding industry-driven activities that support a diverse and qualified supply of workers. The Program will help workers transition to sectors in demand through training and reskilling, and help employers attract and retain a skilled workforce (ongoing).</p>	<p>NRCan and ESDC have defined how the federal government will support workers and communities in a just transition to a low carbon economy.</p>	<p>Partially completed, timing for legislation outside the control of Natural Resources Canada.</p>	<p><u>Outline Federal Approach</u> Information on Canada's approach to advance a just transition to a low carbon economy will continue to be communicated through NRCan's website.</p> <p>(Website established in July 2021, additional information on Canada Coal Transition Initiative Projects published in April 2022, further updates on government actions page expected June 2022).</p> <p>Information sharing between government departments is being facilitated through the creation of a DG Interdepartmental Working Group (completed March 2022) and the creation of a working group on Employment and Skills under the Deputy Ministers' Committee on Climate Plan Implementation.. (completion date June 2022).</p> <p><u>Develop an Engagement Strategy</u></p> <p>Natural Resources Canada, with the support of Employment and Social Development Canada, developed an engagement strategy to support the delivery of the government's commitment to just transition legislation and obtain feedback on the government's commitment to launch a Clean Jobs Training Centre. (completed).</p>	<p><u>NRCAN</u></p> <p>Cori Anderson, Director,</p> <p>Danica Vaillancourt, Director General</p> <p>Regional Strategies Office, Energy Systems Sectors</p> <p><u>ESDC</u></p> <p>Jacinthe Arsenault, Director</p> <p>Chris Bates, DG Apprenticeship and Sectoral initiatives</p>	

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		<p>NRCan will continue its review of federal government programming, consider feedback received through ongoing consultations and through coordinated information exchange across the federal government. The expected completion date is August 2022.</p>			<p>Starting in July 2021, and re-launching in March 2022, Natural Resources Canada and Employment and Social Development Canada held consultations with key stakeholders including labour, industry, youth, academia and NGOs, experts in skills and training, diversity and inclusion, associations and with coal communities in transition. (expected completion date is May 2022)</p> <p>A What We Heard Report will be published following the conclusion of consultations (expected completion date is Fall 2022)</p> <p>Continued engagement and consultation will be required moving forward and will be determined once legislation has passed (date of completion for legislation is unknown-outside of the control of Natural Resources Canada) The Regional Energy and Resources Tables will provide one key forum in which Natural Resources Canada, collaborating with other federal departments, will work with provinces and territories to ensure that skills development and labour market issues related to the clean economy are addressed (will launch in 2022 and is currently funded until 2025).</p> <p><u>Review federal programming</u></p> <p>Natural Resources Canada, in collaboration with relevant federal departments, will continue to review federal programming to determine how existing policies and programs can contribute to a just transition for</p>		

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					<p>workers and communities—for example, as seen on the just transition website (this work is continuously occurring - no set end date).</p> <p>NRCan will also collaborate with provinces, territories and other partners in regions across Canada to identify and advance key economic opportunities, and set the course for sustainable jobs as Canada moves to a low carbon economy through the development of place-based economic strategies through the Regional Energy and Resources Tables (commencing in spring 2022, and funded until 2025).</p> <p>Employment and Social Development Canada continues to review and implement programs that respond to current and emerging labour market needs. For example, the Sectoral Workforce Solutions Program, the Community Workforce Development Program, the Union Training and Innovation Program, and the Skills and Partnership Fund are prioritizing funding to support the clean economy. These programs will help workers transition to sectors in demand. (ongoing)</p>		
Para 33	To enable a coordinated approach to planning and implementing a just transition for Canadians, Natural Resources Canada, with the support of ESDC, should formalize a governance structure to ensure that all relevant federal departments and agencies have clear roles, responsibilities, and accountabilities for advancing the federal support for a just transition to a low-carbon economy.	<b>AGREE</b> Currently, NRCan, ESDC and other federal departments meet on a regular, ad-hoc basis. NRCan will establish a governance structure to coordinate and advance just transition through the creation of a Directors General interdepartmental group, governed by Terms of Reference outlining roles, responsibilities and accountabilities. Furthermore, ESDC and NRCan will establish a Directors Working Group on Skills, Talent and Employment under the Deputy Ministers' Committee on Climate Plan Implementation. The Committee is expected to start meeting in May 2022.	NRCan and ESDC have formalized a formal governance structure to advance the federal support for a just transition to a low-carbon economy.	Partially completed.	Natural Resources Canada has established a governance structure to coordinate and advance just transition through the	<u>NRCAN</u>  Cori Anderson, Director,  Danica Vaillancourt, Director General  Regional Strategies Office, Energy Systems	

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		ESDC established a Green Hub, which leads and coordinates information sharing and collaboration on Climate Change action and Just Transition within the Department.		creation of a <b>Directors' General Interdepartmental Working Group</b> , governed by terms of reference outlining roles, responsibilities and accountabilities (completed – group established March 2022).  NRCan will co-lead the Directors Working group on Employment and Skills when its operations commence (expected in June, 2022).		Sectors <u>ESDC</u>  Jacinthe Arsenault, Director  Chris Bates, DG Apprenticeship and Sectoral initiatives	
Para 36	Natural Resources Canada, with the support of ESDC, should work with relevant federal organizations to determine an approach to measure, monitor and report on progress towards a just transition to a low-carbon economy. This approach should: <ul style="list-style-type: none"> <li>Establish what data is needed related to sectors, skills, occupations, and the diversity of workers and communities</li> </ul>	<b>AGREE</b> Currently, the Government collects data and reports on its Grants and Contributions programs, including through comprehensive evaluation reports completed and made public every five years. The next Sectoral Workforce Solutions Program (SWSP) summative evaluation is expected to include a focus on the Clean Economy priority and other projects most relevant to a Just Transition. This data could support just transition reporting, particularly on key skills and the diversity of workers. ESDC will share relevant data with appropriate governance structures where applicable.	An approach to measure, monitor and report on progress toward a just transition to a low carbon economy has been determined.	Partially completed, work to further refine approach is ongoing	Natural Resources Canada, Employment and Social Development Canada and other relevant federal departments will continue working to improve labour market data (on topics such as, sectors, skills and occupations). This will be supported by sharing relevant results and evaluation information related to ongoing skills programming (such as but not limited to the Sectoral Workforce Solutions	<u>NRCAN</u>  Cori Anderson, Director,  Danica Vaillancourt, Director General  Regional Strategies Office, Energy Systems	

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	<ul style="list-style-type: none"> <li>Develop the tools for measuring and monitoring affected workers and communities</li> <li>Establish public reporting requirements for measuring progress towards a just transition for workers and communities to a low carbon economy</li> </ul>	<p>NRCan, ESDC and other relevant federal departments will determine an approach to measure, monitor, and report on progress towards a just transition to a low carbon economy. This will include continuing work to improve labour market data (e.g. sectors, skills and occupations) with key partners, including through sharing relevant results and evaluation information related to ongoing skills programming (e.g. the SWSP – Clean Economy priority, the Community Workforce Development Program and Skills for Success).</p> <p>NRCan and ESDC will work with other relevant federal entities to further develop tools required to measure and monitor labour market trends across the country.</p> <p>NRCan and ESDC will develop advice to the government regarding measuring progress towards a just transition for workers and communities to a low carbon economy.</p>			<p>Program’s clean economy priority, the Community Workforce Development Program and Skills for Success). (ongoing)</p> <p>Natural Resources Canada and Employment and Social Development Canada will work with other relevant federal entities to further develop tools required to measure and monitor labour market trends across the country (ongoing).</p> <p>The Directors <b>Working Group on Employment and Skills</b> under the Deputy Ministers’ Committee on Climate Plan Implementation will work collaboratively to identify skills needs, support innovative training approaches and foster information sharing.</p> <p>The working group will deliver on this mandate by reviewing and sharing labour market information, gathering data, undertaking analysis on labour supply/demand and labour market outcomes, existing federal programming, developing diagnostic materials and providing recommendations on skills, jobs and training needed for the transition to an inclusive low carbon economy (to be formally established June, 2022)</p> <p>Natural Resources Canada and Employment and Social Development Canada will develop advice to the government regarding measuring progress towards a just transition for workers and communities to a low-carbon economy (estimated date of completion Fall 2022/Winter 2023)</p>	<p>Sectors</p> <p><u>ESDC</u></p> <p>Jacinthe Arsenault, Director</p> <p>Chris Bates, DG Apprenticeship and Sectoral initiatives</p>	

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Para 58	<p>To better integrate just transition principles in federal programs, the Atlantic Canada Opportunities Agency, Prairies Economic Development Canada, and Employment and Social Development Canada should work with Natural Resources Canada to establish the federal government's approach, which could include the design of new federal programs, and leverage existing mechanisms to support a just transition to a low-carbon economy that meets the diverse needs of affected workers and communities.</p>	<p><b>AGREE</b></p> <p>ESDC will work with NRCan and RDAs to leverage existing mechanisms to support a just transition to a low carbon economy. As mentioned under para 30, the Government has made a significant investment through the SWSP to help key sectors of the economy, with a priority on building talent for the low carbon economy. ESDC is also currently working on a mandate commitment to launch a Clean Jobs Training Centre to help workers across key sectors and occupations, improve or gain new skills in order to be on the leading edge of the zero carbon industry.</p> <p>ESDC leverages flexibilities within existing programs to support priorities such as the low carbon economy. For example, the Union Training and Innovation Program launched a Call for Proposals in August 2021 that prioritized the purchase of equipment and material that support the development of skills for the low carbon economy.</p>	<p>Leverage existing skills programming to prioritize support for workers affected by the transition to a low carbon economy. In addition, implement current mandate commitments that support a just transition, such as launching the Clean Jobs Training Center.</p>	<p>Ongoing</p>	<p>ESDC has a suite of skills programming that promotes skills development, enhances labour market participation, and supports an inclusive, resilient and effective labour market. Many ESDC programs have been exploring how to support workers and communities affected by the transition to a low carbon economy, while supporting the implementation of Canada's Climate Plan. The following programs have prioritized support for the clean economy in their most recent policy developments.</p> <p>Sectoral Workforce Solutions Program (SWSP) - SWSP will help key economic sectors implement solutions to address current and emerging workforce needs. The 2022 CFP is prioritizing projects on building talent for the clean economy. (CFP closed March 2022, projects could begin summer 2022)</p> <p>Skills and Partnership Fund (SPF) - The SPF is a project-based fund that supports partnerships between Indigenous organizations and industry employers to provide skills training for Indigenous people. The clean economy was a priority area in the latest Call for Proposals. (CFP closed May 2022, projects could begin in 2022-2023 fiscal year)</p> <p>Union Training and Innovation Program (UTIP) - This program supports union-based apprenticeship training in the Red Seal trades. It also provides investments in training equipment and materials. The 2021 Call for Proposals prioritized projects that encouraged equipment and material purchases that support the development of environmental skills.</p>	<p>ESDC</p> <p>Jacinthe Arsenault, Director</p> <p>Chris Bates, DG Apprenticeship and Sectoral initiatives</p>	

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					<p>(CFP closed September 2021, projects were launched February 2022)</p> <p>Red Seal Program - The Red Seal Program sets common standards to assess the skills of tradespeople across Canada. The Red Seal Program is working with industry stakeholders in the skilled trades to add “green” learning objectives to the national occupational standards for the Red Seal trades. In the next year, the Red Seal Program has targeted specific construction trades to examine and develop more learning objectives related to green construction. (expected to be completed early 2023)</p> <p>Community Workforce Development Program (CWDP) - The CWDP will help communities with local workforce development plans that identify high growth areas and connect employers and training providers to upskill and reskill jobseekers and workers to fill emerging jobs. The program is a pilot that will test innovative community-based approaches that aim to address regional and national priorities such as de-carbonization and supporting a just transition for workers in transforming sectors such as energy. (upcoming)</p> <p>ESDC is leveraging NRCan’s public consultations on a just transition to seek stakeholders’ views on the proposed Clean Jobs Training Centre. These discussions will be key to informing the path forward for the launch of the Centre. (ongoing)</p>		

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Para 63	<p>Natural Resources Canada, the Atlantic Canada Opportunities Agency, and Prairies Economic Development Canada, with the support of Employment and Social Development Canada, should work together to measure, monitor and report on just-transition outcomes. This would include:</p> <ul style="list-style-type: none"> <li>Establishing indicators and determining data requirements to measure and monitor the long-term effects of the coal-phase out on affected workers and communities</li> <li>Tracking progress based on indicators aligned with the Canadian Indicator Framework for the Sustainable Development Goals that reflect the diversity of directly and indirectly affected workers and communities</li> <li>Establishing results to be achieved for workers and communities that support a just transition to a low-carbon economy</li> <li>Establishing a reporting schedule to publically report on the outcomes of the just transition programs</li> </ul>	<p><b>AGREE</b></p> <p>As mentioned under para 36, ESDC can contribute to the overall just transition reporting by sharing data and analysis collected through internal program performance measurement and evaluation. The Department is working on developing a Performance Information Profile on SWSP, which will produce relevant data on its low carbon economy priority. ESDC will collect data from funding recipients through Quarterly Reports, such as the number of participants who complete training or transition initiatives, including those from equity-deserving groups; number of employers that report being better able to recruit skilled workers in targeted sectors; and number of participants employed following participation in a project.</p> <p>Also as part of the SWSP performance measurement process, ESDC will use Statistics Canada's Labour Force Survey to track participation and vacancy rates in targeted sectors. Though this data will be high level, it may help inform future skills investments.</p>	<p>Support NRCan and regional development agencies by sharing data collected through the evaluation activities of ESDC's skills programming, and analysis conducted as part of ongoing labour market tracking.</p>	<p>Ongoing</p>	<p>NRCan has committed to working with federal partners to determine the most effective approach to future public reporting on just transition programs, including schedule and mechanisms.</p> <p>ESDC will have a supporting role in this work by facilitating information sharing and consolidating key data from various skills program evaluation activities, such as the number of participants who complete training and the number of participants employed following participation in a project.</p> <p>ESDC will review labour supply/demand and labour market outcomes using StatsCan data and share its analysis with interested parties.</p> <p>One forum that could be used to discuss these topics is the Working Group on employment and skills that ESDC is working to establish under the Deputy Ministers' Climate Plan Implementation Committee. (working group to be launched June 2022)</p> <p>Relevant government departments will collaborate through Director and Director General-level Interdepartmental Working Groups, which have as one of their tasks the establishment of indicators and data requirements to measure and monitor the effects of the transition to a low carbon economy on workers and communities, utilizing expertise found through available data, Canada Coal Transition Initiative (CCTI) and the CCTI-Infrastructure Fund program evaluations, and the Government of</p>	<p>ESDC</p> <p>Jacinthe Arsenault, Director</p> <p>Chris Bates, DG Apprenticeship and Sectoral initiatives</p>	



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					Canada's definition of Just Transition. The DG level group started meeting in the Spring of 2022 and the director level group will be formally established in June, 2022.		