

# One Million Climate Jobs A Challenge for Canadians

A background discussion document:  
CLC trade union forum at COP21  
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The Canadian Labour Congress (CLC) has recently adopted its COP21 Statement, emphasizing that climate change is already affecting production and consumption patterns in many sectors of our economy: <http://canadianlabour.ca/news/news-archive/clc-seeks-meaningful-commitments-ahead-un-climate-change-summit>.

The warnings by the United Nations' Intergovernmental Panel on Climate Change (IPCC) that the current pace of emissions is already consuming the entire global carbon budget is a clear indication that market forces on their own are not in a position to provide the kind of transition that will prevent catastrophic climate change.

Governments must step up to the plate by working and providing leadership for the common good and public interest. With a new government in Ottawa, Canada is now in a position to commit ambitious, achievable, science-based targets to significantly reduce greenhouse gas emissions.

At the 2009 COP15 in Copenhagen, Canada pledged with other G8 countries to cut its carbon emissions by 80 percent by 2050. Such a target implies emission cuts by 2030 of no less than 38 percent of 2005 levels. Now, at COP21, we urge the federal government to recommit to at least this target.

As have Germany and Australia with their coal industries, there is a need to be proactive in regulating the petroleum industry in Canada and curbing expansion of the oil sands, which remains the fastest growing sector of the economy for greenhouse gas emissions, despite the falling oil prices.

This calls for significant industrial transformation toward a new low-to-zero carbon economy, a transformation that will eliminate or transform existing jobs, likely bringing about resistance to change, which could undermine a much needed social consensus in Canada for a way forward.

To address this resistance, a Just Transition strategy that is supported by workers, employers and governments is needed, with a focus on creating

new jobs and incorporating training and education for displaced workers. The strategy must embody social support, reemployment and compensation measures, and be devised with the participation of workers and their representatives.

These measures must also go hand in hand with efforts to deal with unemployment overall, as rising CO<sub>2</sub> levels and job losses are the products of the same economic model. A commitment to Decent Work, as understood by the International Labour Organization (ILO), can pave the way to an economic model that addresses social injustice, poverty and inequality at the same time. In 2013, the Canadian government, employers and unions agreed, along with those of other countries, to a set of guiding principles that can do just that. Now is the time to apply these principles for dealing with climate change in Canada.

In Canada, an alliance of unions, with environment, youth, public interest, faith-based organizations and First Nations are working together through the *Green Economy Network* to put these principles to practice, by calling for “one million climate jobs” in Canada within the next five years.<sup>1</sup> Similarly, the *Blue Green Canada* also brings together unions and environmental groups to tackle these issues.

Creating one million climate jobs can both reduce Canada's greenhouse gas emissions (GHG) and create decent paying jobs, while addressing the immediate effects of climate events, such as wildfires, floods, droughts or deforestation. Public investment must be secured to support four strategic priorities:

- 1 Clean Renewable Energy** – By investing \$18.8 billion in public renewable energy (e.g., solar, wind, geothermal power) over five years, Canada could create 235,247 new person job years,<sup>2</sup> while reducing this country's overall GHG emissions between 43.7 and 76.2 million tons (MT);<sup>3</sup>
- 2 Energy Efficiencies/Green Buildings** – By investing \$24.2 billion to increase the energy efficiency of Canada's building stock (i.e. residential, commercial, public) over a five-year period, we could generate another 359,141 new person job years which, at the same time, would reduce the country's overall GHG emissions between 26.1 and 101.4 MT;

**3 Public Transit** – By investing a further \$21.6 billion to improve and expand public transit for moving people within our cities and towns, we would create another 273,993 new person job years which, in turn, would contribute to a further reduction in GHGs between 13.8 and 24.2 MT; and

**4 Higher Speed Rail Transport** – By investing \$10.4 billion to begin stimulating the construction of higher speed public rail to move people and freight between cities within urban corridors (e.g. Windsor to Quebec City; Edmonton to Calgary; Vancouver to Seattle), we could generate another 131,619 person job years, while initially reducing GHG emissions between 1 and 5.2 MT.

Canada’s federal government, together with the provinces and municipalities, could achieve one million new climate jobs, while reducing its annual GHG emissions by 84.6 to 207 MT, more than 25 percent of Canada’s average annual GHG emissions. Invoking such a plan in 2016 would set the stage and create impetus for Canada to meet more ambitious climate targets by 2030. Also, Canadian industry would thus more easily bear the burden of change, in the short and medium term.

This chart summarizes these calculations:

	\$Billions Invested Over 5-Year Period	Total Person Job Years Created	GHG Emission Reductions (MT CO <sub>2</sub> eq)
<b>Renewable Energy</b> (solar, wind, geothermal power)	\$18.8	235,247	43.7 <> 76.2
<b>Energy Efficiency</b> (i.e. building retrofits)	\$24.2	359,141	26.1 <> 101.4
<b>Public Transit</b> (i.e. improvements and expansion)	\$21.6	273,993	13.8 <> 24.2
<b>Higher Speed Rail</b> (between cities in urban corridors)	\$10.4	131,619	1.0 <> 5.2
<b>5-Year TOTALS</b>	<b>\$74.9 billion</b>	<b>1,000,000 Jobs</b>	<b>84.6 MT &lt;&gt; 207 MT annually</b>

A \$74.9 billion expenditure (\$15 billion/year) is an ambitious, but viable financial commitment to make, in the face of the challenge we face: a mere five percent of the federal government’s annual budget. However, if a viable pay-as-you-save program was applied to #2 above (energy efficiencies/green buildings), the overall cost could be reduced by almost one third. Under pay-as-you-save, loans to cover capital expenditures for retrofits are based on the local property tax base, with loan repayments being made through energy savings on bills. Moreover, the increased employment would contribute to the tax base of governments at all levels. Additional revenues could be made available by phasing out federal subsidies to the petroleum industry and from other federal and provincial sources of revenue, including carbon taxes.

This one million climate jobs plan lays the foundation for tackling climate change while creating jobs. It also provides a strategy to address poverty and inequality. After all, the proposals outlined here for creating jobs should not only be made to serve displaced workers from polluting industries, but also for the industries suffering the impacts of climate change, the unemployed, the working poor, plus First Nations and racialized communities.

This platform is not a panacea or carved in stone. It must be part of a comprehensive full employment plan (including reduced work time) to ensure an equitable transition and be able to evolve in a collaborative way through negotiation, openness and full transparency. Let’s act now to make one million climate jobs a reality.

<sup>1</sup> GEN website: [www.greeneconomy.net.ca](http://www.greeneconomy.net.ca)

<sup>2</sup> These are *direct*, *indirect* and *induced* jobs. The method for calculating job creation is based on the formula developed at the Center for American Progress, outlined in “Green Recovery: A Program to Create Good Jobs and Start Building a Low-Carbon Economy,” [September, 2008]. The formula encompasses jobs created in three categories for each \$ one billion of investment: [i] *direct* employment in primary industries; [ii] *indirect* employment in secondary industries and suppliers; and [iii] *induced* employment in retail and service industries.

<sup>3</sup> Calculating GHG reductions is a work in progress. The calculations cited here [MT = one million tons] are based on the formula used by federal government departments for every \$ one billion of public investment. Each calculation includes two figures. The first figure is based on observable evidence of GHG reductions resulting from these types of public investments so far, while the second figure is based on calculated predictions for GHG reductions in year 5 of the projects and beyond, taking into consideration numerous variables. Citing the low and the high of GHG reductions shows what could be anticipated.

