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BILL C-50: AN ACT RESPECTING ACCOUNTABILITY, TRANSPARENCY AND ENGAGEMENT TO SUPPORT THE CREATION OF SUSTAINABLE JOBS FOR WORKERS AND ECONOMIC GROWTH IN A NET-ZERO ECONOMY

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Legislative Summary of Bill C-50 (Legislative Summary)

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### LEGISLATIVE SUMMARY OF BILL C-50: AN ACT RESPECTING ACCOUNTABILITY, TRANSPARENCY AND ENGAGEMENT TO SUPPORT THE CREATION OF SUSTAINABLE JOBS FOR WORKERS AND ECONOMIC GROWTH IN A NET-ZERO ECONOMY

### 1 BACKGROUND

Bill C-50, An Act respecting accountability, transparency and engagement to support the creation of sustainable jobs for workers and economic growth in a net-zero economy (short title: Canadian Sustainable Jobs Act), was introduced in the House of Commons on 15 June 2023 by the Minister of Natural Resources.

The Government of Canada describes this legislative initiative as the product of comprehensive consultation,<sup>2</sup> the purpose of which is to establish both a plan and mechanisms for governance and accountability to place the federal government in a better position to support workers and communities as Canada works to build a net-zero economy.

### To this end, the bill:

- introduces guiding principles for an equitable and inclusive future by supporting the creation of sustainable jobs while addressing climate action and energy security;
- requires the Governor in Council to designate both a minister responsible for the Act and specified ministers whose portfolios include sustainable jobs measures and actions;
- creates a sustainable jobs partnership council responsible for engaging with Canadians and advising government in order to establish a mechanism that will contribute to Canada's sustainable jobs approach;
- requires the government to publish an action plan for sustainable jobs every five years;
- establishes a sustainable jobs secretariat to help implement the proposed Act;<sup>3</sup> and
- requires the government to review the proposed Canadian Sustainable Jobs Act every 10 years.<sup>4</sup>

On 20 September 2023, the Minister of Justice tabled a Charter statement<sup>5</sup> for Bill C-50 in the House of Commons. In his review of the bill, the Minister of Justice determined that it did not contain any inconsistencies with the *Canadian Charter of Rights and Freedoms*.

This legislative summary gives a brief description of the main measures proposed in the bill.

### **2 DESCRIPTION AND ANALYSIS**

### 2.1 GENERAL MATTERS RELATING TO THE BILL

#### 2.1.1 Preamble

A significant portion of Bill C-50 is dedicated to the preamble, which sets out the rationale for the legislation. It describes climate change as a global issue with disproportional impacts that requires immediate and ambitious action by a broad array of actors. The preamble indicates that all governments in Canada, as well as industry, labour, Indigenous peoples, non-governmental organizations and individual Canadians, play important roles in building a net-zero economy. The preamble notes that trade unions, in particular, play an important role in representing the interests of workers.

The preamble recognizes that a net-zero emissions future presents opportunities for economic growth, the creation of well-paying, high-quality jobs and the increased participation of equity-seeking groups in Canada's economy. Nevertheless, it also recognizes that efforts made to mitigate and adapt to climate change will have varying effects across the different regions, communities and sectors.

The preamble acknowledges Canada's commitment to take measures as a signatory to the *Paris Agreement* <sup>6</sup> to mitigate the effects of climate change and to achieve net-zero emissions by 2050 under the *Canadian Net-Zero Emissions Accountability Act*. <sup>7</sup> It also acknowledges Canada's recognition and support of the International Labour Organization's Resolution concerning sustainable development, decent work and green jobs <sup>8</sup> and the associated guidelines <sup>9</sup> on sustainable economies.

Moreover, the preamble sets out Canada's commitment to strengthen its collaboration with Indigenous peoples by virtue of the enactment of the *United Nations Declaration* on the Rights of Indigenous Peoples Act.<sup>10</sup>

Finally, the preamble affirms Canada's commitment to a sustainable and inclusive jobs approach that addresses barriers to employment for persons with disabilities, in light of its ratification of the United Nations *Convention on the Rights of Persons with Disabilities*. <sup>11</sup>

The preamble sets out the guiding principles that the Government of Canada will adhere to throughout the transition to a net-zero economy. The principles aim to:

- foster engagement among the relevant stakeholders and partners in adequate, informed and ongoing dialogue on a sustainable jobs approach;
- encourage sustainable jobs policies and programs that:
  - support the creation of decent work (well-paying, high-quality and secure jobs),

- recognize local and regional needs,
- account for the cultural values, strengths and potential of workers and communities,
- provide an environment to help the economy and society achieve sustainability and inclusivity;
- establish an inclusive sustainable jobs approach that encourages the employment of members of underrepresented groups in the labour market, namely, women, persons with disabilities, Indigenous peoples, Black and other racialized individuals, 2SLGBTQI+ and other equity-seeking groups; and
- help strengthen global efforts to advance the creation of sustainable jobs, ensure
  equity and inform Canadian approaches to support workers and communities
  in the shift to a net-zero economy.

## 2.1.2 Short Title, Definitions and Purpose of the Bill (Clauses 1 to 3)

Clause 1 of Bill C-50 establishes the short title of the bill: the Canadian Sustainable Jobs Act.

Clause 2 defines various terms used in the bill. Notably, it describes an "equity-seeking group" as a "group of persons who are disadvantaged on the basis of one or more prohibited grounds of discrimination within the meaning of the *Canadian Human Rights Act.*" <sup>12</sup> The bill also defines "net-zero economy" as "an economy in which any anthropogenic emissions of greenhouse gases into the atmosphere are balanced by anthropogenic removals of greenhouse gases from the atmosphere over a specified period." <sup>13</sup> Additionally, it employs the term "social dialogue" as defined by the International Labour Organization, which includes "all types of negotiation, consultation or simply exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy." <sup>14</sup>

Clause 3 indicates that the legislation is designed "to facilitate and promote economic growth, the creation of sustainable jobs and support for workers and communities in Canada in the shift to a net-zero economy." The framework to realize these objectives requires participation by federal entities at the national and regional levels who focus on "skills development, the labour market, rights at work, economic development and emissions reduction."

# 2.2 DESIGNATION OF MINISTERS (CLAUSES 4 AND 5)

Clauses 4 and 5 of the bill respectively allow the Governor in Council to designate a minister responsible for the Act and to designate additional specified ministers for the purpose of administering the Act.

## 2.3 SUSTAINABLE JOBS PARTNERSHIP COUNCIL (CLAUSES 6 TO 10)

Clause 6 of the bill establishes the Sustainable Jobs Partnership Council (the Council) and defines its terms of reference. Clause 7 empowers the Council to advise the minister and specified ministers on various measures for creating sustainable jobs and supporting workers, communities and regions in the shift to a net-zero economy, in addition to engaging with partners and stakeholders.

Clause 8(1) stipulates that the Council consists of a maximum of 15 members, appointed by the Governor in Council on the minister's recommendation, who may hold office for a renewable term of up to three years. Clause 8(2) enumerates factors that the minister must consider when making recommendations for Council member appointments, such as representative diversity, experience in industrial and technological transformation, unionized worker representation, Indigenous knowledge and climate policy, among other subjects.

Clause 9 specifies that Council members are entitled to remuneration and to the reimbursement of their expenses. Under clause 10, Council members are deemed to be employees under the *Government Employees Compensation Act* <sup>15</sup> and employed in the federal public administration under the regulations made in section 9 of the *Aeronautics Act* <sup>16</sup> which establish the compensation payable for the death or injury of a public servant as the result of a flight taken in the course of duty.

#### 24 REPORTS

### 2.4.1 Annual Report and Minister's Response (Clauses 11 to 13)

Under clauses 11 and 12 of the bill, the Council must submit to the designated minister an annual report that contains its advice and a summary of its activities; this report will be published within 30 days after the minister receives it. Clause 13 requires the minister to then consult with the specified ministers and other relevant federal ministers, and prepare and publish a response to the report that addresses the Council's advice, within 120 days after receiving the report.

# 2.4.2 Other Council Reports (Clauses 14 and 15)

Under clause 14 of the bill, the Council must prepare a report on any particular matter at the minister's request, which the minister may publish. Clause 15 explains that the Council must prepare a progress report on activities specified by the minister within 30 days of the minister's request.

## 2.5 SUSTAINABLE JOBS ACTION PLAN (CLAUSES 16 TO 19)

In keeping with the Government of Canada's interim *Sustainable Jobs Plan* <sup>17</sup> for 2023–2025, clauses 16(1) and 16(2) of the bill require that the designated minister prepare a sustainable jobs action plan every five years and table it in both the Senate and the House of Commons. The minister has until 31 December 2025 to prepare the first plan which must be tabled in each house by the 15<sup>th</sup> sitting day after that date. Every subsequent plan must be prepared by 31 December of every fifth year and tabled within the 15<sup>th</sup> sitting day of each house. Under clause 16(3), each plan must include:

- information about how the federal government will realize the legislation's objectives in the following five-year period;
- ministerial measures, milestones and methods of implementation;
- a summary of relevant, available data; and
- for subsequent plans, a description of the progress made toward achieving milestones under previous plans.

Clauses 17 and 18 allow the minister to amend a sustainable jobs action plan at any time, as long as the minister considers the Council's advice and consults the specified ministers and other relevant federal ministers before doing so. Likewise, an amended plan must be tabled in each House within each one's first 15 sitting days following the preparation of the plan.

Under clauses 19(1) to 19(4), the minister must prepare a progress report based on the milestones identified in the most recent plan. The report must take into account the Council's advice and the input of the specified ministers and other relevant federal ministers. Each progress report must also be tabled in the Senate and the House of Commons within their first 15 sitting days following the preparation of the report.

## 2.6 SUSTAINABLE JOBS SECRETARIAT (CLAUSE 20)

Clause 20 of the bill makes the minister responsible for establishing the Sustainable Jobs Secretariat to provide support to implement the Act. The Secretariat's responsibilities include:

- enabling policy and program coherence in the development and implementation of each plan;
- supporting the preparation of the plans and tracking their progress;
- coordinating federal–provincial initiatives related to the plans; and
- providing administrative and policy support to the Council.

### 2.7 REVIEW OF ACT (CLAUSE 21)

Under clause 21 of the bill, the minister must ensure that the Act is reviewed once every decade. The initial review is to be conducted within 10 years after the day on which the Act receives Royal Assent, then every 10 years thereafter. Furthermore, the minister must have a report on the review tabled in the Senate and the House of Commons within their first 15 sitting days following the completion of the report.

#### **NOTES**

 Bill C-50, An Act respecting accountability, transparency and engagement to support the creation of sustainable jobs for workers and economic growth in a net-zero economy, 44<sup>th</sup> Parliament, 1<sup>st</sup> Session.

- In July 2021, Natural Resources Canada launched a public consultation to inform the legislation and
  it simultaneously issued a discussion paper. See Government of Canada, <u>Consultation: Sustainable Jobs</u>;
  and Government of Canada, <u>People-Centred Just Transition: Discussion Paper</u>, 2021.
- 3. Natural Resources Canada, Backgrounder: Canadian Sustainable Jobs Act.
- Bill C-50, An Act respecting accountability, transparency and engagement to support the creation of sustainable jobs for workers and economic growth in a net-zero economy, 44<sup>th</sup> Parliament, 1<sup>st</sup> Session, cl. 21(1).
- Government of Canada, <u>Bill C-50</u>: An Act respecting accountability, transparency and engagement to support the creation of sustainable jobs for workers and economic growth in a net-zero greenhouse gas emissions economy – <u>Charter Statement</u>, 20 September 2023.
- 6. The Paris Agreement was reached at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) in 2015. Parties to the agreement committed to limiting the increase in the global average temperature to between 1.5°C and 2°C. Additionally, the parties committed to setting their own greenhouse gas (GHG) emission reduction targets which are subject to updates every five years, known as nationally determined contributions (NDCs). In July 2021, Canada submitted its updated NDC to the UNFCCC, committing to reduce GHG emissions to between 40% and 45% below 2005 levels by 2030. See United Nations (UN), Paris Agreement, 12 December 2015; and UNFCCC. Canada's 2021 Nationally Determined Contribution Under the Paris Agreement.
- 7. <u>Canadian Net-Zero Emissions Accountability Act</u>, S.C. 2021, c. 22, s. 6.
- International Labour Organization (ILO), <u>Resolution concerning sustainable development, decent work and green jobs</u>, 19 June 2013.
- ILO, <u>Guidelines for a just transition towards environmentally sustainable economies and societies for all,</u> 2015.
- 10. <u>United Nations Declaration on the Rights of Indigenous Peoples Act</u>, S.C. 2021, c. 14.
- 11. UN, Convention on the Rights of Persons with Disabilities.
- 12. The prohibited grounds of discrimination are race, national or ethnic origin, colour, religion, age, sex, sexual orientation, gender identity or expression, marital status, family status, genetic characteristics, disability and conviction for an offence for which a pardon has been granted or in respect of which a record suspension has been ordered. See <u>Canadian Human Rights Act</u>, R.S.C. 1985, c. H-6, s. 3(1).
- 13. Where multiple GHGs are involved, the quantification of net-zero emissions depends on the climate metric chosen to compare emissions of different gases, such as global warming potential and global temperature change potential, among others, as well as the chosen time horizon. See Intergovernmental Panel on Climate Change (IPCC), "Net zero emissions," <a href="Annex I: Glossary">Annex I: Glossary</a>, in Global Warming of 1.5°C: An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty, 2018.
- 14. ILO, Social dialogue.



- 15. <u>Government Employees Compensation Act</u>, R.S.C. 1985, c. G-5.
- 16. Aeronautics Act, R.S.C. 1985, c. A-2, s. 9.
- 17. Government of Canada, <u>Sustainable Jobs Plan: An interim plan for 2023–2025 detailing concrete federal actions to advance economic prosperity and sustainable jobs in every region of the country</u>, 2023.