

# 2026–2030 Sustainable Jobs Action Plan

Pembina Institute comments and  
recommendations

Submitted to Natural Resources  
Canada

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### Recommendations summary

- Drive demand for sustainable jobs through clean industrial growth
- Strengthen workforce development systems and training capacity
- Promote inclusion, equity, and participation across the workforce
- Protect workers and communities through stronger social supports
- Establish mechanisms for social dialogue and policy alignment

## Context

The Pembina Institute welcomes the opportunity to provide input on the Government of Canada's 2026–2030 Sustainable Jobs Action Plan.

## Discussion Questions

**Q1:** To advance opportunities for your region/sector and Canada more broadly, what should the 2026–2030 Sustainable Jobs Action Plan prioritize for the next five years? What foundational actions are needed for long-term success, including to ensure the sustainable jobs legislative principles are applied across government?

The Sustainable Jobs Action Plan (SJAP) should contain both demand- and supply-side measures for the workforce. On the supply side, it should include actions that build resilient communities and a stronger workforce development ecosystem in the long term, while addressing current labour market needs. To increase demand for workers, the plan should adopt policies that accelerate clean energy growth, creating high-quality jobs and strengthening Canada's economy.

## **Near-term priority actions**

There are near-term actions that can address the dual priorities of nation-building and strengthening the economy and growing sustainable jobs.

### **Ensure government-supported initiatives create good quality jobs**

The Building Canada Act (Bill C-5) states that urgently advancing projects in the national interest, including projects that create well-paying unionized jobs, is critical to Canada's economy, sovereignty and security. To maximize the social benefit of public spending, labour conditions should be included in all government-supported projects receiving funding or preferential contracts, agreements involving the procurement of goods and services, and projects prioritized through the Major Projects Office. Mechanisms for creating quality employment include placing labour conditions on clean energy investment tax credits, requiring a minimum number of apprentices and payment of a prevailing wage. Project labour agreements are another model used in the United States that incentivize proponents to offer good wages and benefits to their workforce and reduce the risk of work disruptions by establishing clear dispute resolution mechanisms. Studies have shown that these agreements do not meaningfully increase project costs.

### **Deliver on the commitment to establish a youth climate corps**

Endorsed by nearly 200 civil society organizations, a national youth climate corps would expand the skilled labour pool for nation-building and disaster response efforts, while addressing persistently high rates of youth unemployment. Building on the commitment made by the Liberal Party of Canada in its election platform, this initiative has the potential to provide young Canadians with meaningful, unionized work that supports sustainable career pathways. The program should uphold the principles of decent work and inclusion, provide a living wage, and prioritize opportunities for Indigenous, equity-deserving, rural and remote youth, as well as others facing barriers to labour market entry.

### **Support employers in delivering on-the-job training**

Workplaces will look different as they decarbonize, and workers will require new knowledge and skills to succeed in a clean economy. A report by the Future Skills Centre finds that, on average, Canadian employers invest less in training when compared to other countries belonging to the OECD. Addressing this gap could increase labour productivity and promote business competitiveness in the global marketplace.

A new tax credit or granting mechanism should be designed to incentivize employers, particularly small and medium-sized businesses, to upskill workers while adapting to the transition to a clean economy. Employers could use such an incentive to train workers on new

technologies when workplaces or equipment are retrofitted or upgraded for energy efficiency (e.g., switching from blast furnaces to electric arc furnaces in steel manufacturing facilities). The mechanism should be designed with input from labour, industry, and expert groups such as the Sustainable Jobs Partnership Council.

For large employers, lessons on developing worker competencies can be gleaned from Quebec's Act to Promote Workforce Skills Development and Recognition, which requires companies in the province with a payroll of more than \$2 million to invest 1% annually in training activities.

## **Long-term foundational actions**

### **Advance industrial strategies for clean energy sectors**

Sector-specific green industrial strategies should be established under the guidance of multi-stakeholder tables, with representatives from labour and other civil society groups, Indigenous rights holders, provincial and territorial governments, and industry. These initiatives would accelerate the growth of sectors compatible with a clean economy, enabling Canada to enhance its energy security, attract foreign investment, reduce GHG emissions, and expand its global market shares. One option could be to recapitalize the Strategic Innovation Fund to support the continued buildout of the EV battery supply chain and increase resilience in the face of a volatile trade relationship with the United States. Each strategy would have to be accompanied by workforce development plans to ensure sufficient training and incentives for workers to take on new job opportunities.

### **Strengthen the social security system to respond to disruption**

Several of Canada's keystone industries have been impacted by tariffs and trade disputes with the United States. Workers in the automotive, forestry, steel, and energy sectors have experienced waves of layoffs, leaving families and communities in a place of uncertainty. The federal government has taken a positive step toward making Canada's social safety net more responsive to economic volatility by introducing a reskilling package and making EI more flexible. This came as part of the government's commitment on September 5 to protect, build, and transform Canada's strategic industries.

To add to this, the SJAP could establish an early retirement fund targeting older workers where retraining is not possible or not realistic. Research would be needed to determine the optimum qualifying age and program duration. But the program should be flexible to accommodate individual circumstances. The SJAP could increase funding to the Canada Retraining and Opportunities Initiative and directly fund workers and families most disrupted by mass layoffs. Further, a dedicated transition fund could enable a range of responses to assist workers negatively impacted by the energy transition, automation, or other volatile workforce or industry factors, ensuring that resources are in place during unpredictable economic shocks.

A sixth priority area, “supporting a healthy education and training ecosystem,” is further explored under Question 5.

**Q2: How do you or your organization currently access and use labour market data, including for future energy planning? What challenges do you face in doing so and what types of data are most valuable to your work or decision-making? (e.g. geographic level, industries, occupations, demographic groups, other forms of disaggregated data)**

*How the Pembina Institute uses labour market information*

We rely on labour market data and analysis to identify both job growth opportunities in the low-carbon economy and labour market trends (e.g., youth unemployment, skills trade shortages) that need to be addressed to sustain growth and ensure positive outcomes for workers and clean energy industries. In general, decision makers need access to timely and accessible labour market information to better align training and skill-building initiatives with the demands of society and industry.

*Challenges with accessibility and timeliness*

Conclusions drawn from labour market analysis need to be translated and shared with labour groups, employers, and training institutions to empower them to make informed choices, identify synergies, and work collaboratively. A key challenge is the timing of labour market information and the lack of forward-looking projections that respond to changes in the global market and economy. When workers make decisions about their careers, they want to choose education and training pathways with confidence, knowing that forecasted job demands align with labour market realities and that jobs are going to be available and abundant once they complete their training. Data that is regionally specific would be of greater use to workers than more general data, particularly to workers who want accurate information about locally available jobs or youth in search of local career prospects.

**Q3: What data and information should be a priority for the federal government to analyze or collect to better track existing and future gaps in low-carbon skills and occupations, and related training?**

Accurate, industry-corroborated labour market information is essential for workforce planning. It can help determine which occupations will see the highest growth, the sectors and regions where these opportunities will occur, and the training and support workers will need to access them. A top priority for data collection should be to comprehensively assess current occupations and sectors to determine anticipated demographic changes (e.g., aging workforce), as well as the effects on the workforce of automation, economic volatility (e.g., global market shifts and tariffs), and climate change against the backdrop of a global energy transition. Modernized, increasingly granular data is also essential for deeper labour market insights into Canada’s

current economic and industrial landscape. For instance, Electricity Human Resources Canada notes that wind turbine technician is not currently categorized under Canada's National Occupation Classification, making it difficult to track labour market trends in this profession and develop responsive workforce supports.

The SJAP should start the development of short-term growth projections for key sectors to help design corresponding labour market interventions. While long-term projections (e.g., to 2050) exist, their accuracy is constrained due to technological and economic uncertainties. Shorter five-year projections and planning increments may be more effective. Our [Sustainable Jobs Blueprint](#) includes growth projections for sectors in a clean energy economy that will require increased training and education to ensure a sufficiently skilled workforce to support their success (e.g., clean buildings and transportation).

**Q4: What are the strengths and weaknesses of existing federal skills training programs to fill specific existing and future skills gaps in critical sectors, including energy, natural resources, low-carbon and resilience-enabling sectors? What models or mechanisms do you consider to be the most effective solutions?**

Public funding should be directed to filling gaps in education and training programs that align with labour market needs. This could include setting labour market-aligned quotas for enrolment in relevant fields like electrical engineering, incentivizing post-secondary funding and recruitment towards these in-demand fields, and promoting structured connections to employers before or after graduation, including increased co-op and internship opportunities facilitated by training providers. Additionally, stronger collaboration between industry and post-secondary institutions could help shape curricula to align with industry demands.

As discussed in our recent [Recruit, Train, Retain](#) report, recognition is growing among industry actors that a lack of skilled workers stifles business growth and economic potential. Current programs offered by the federal government — such as the Sustainable Jobs Training Fund, which directs funding to priority industries is a promising initiative — could help fill labour market gaps and meet projected demand if additional criteria are imposed to prioritize funding more effectively. Existing federal programs should be evaluated and aligned with labour market projections to prioritize growth in industries with the most urgent employment demands. The Global Innovation Cluster program is one such program that could benefit. It leverages public funding to acquire matching contributions from stakeholders who directly gain from sector-specific workforce expansion.

Among the strengths in skill training programs offered by the federal government is the dedicated funding for union-led training initiatives, such as the Union Training and Innovation Program: Sustainable Jobs Stream. Unions report higher levels of apprenticeship completion and employment rates when skills training occurs through union training centres. Conversely,

federal skills training programs must ensure that funding recipients offer robust training and skills that the job market demands — rather than funding for-profit micro-credentials.

**Q5: What priority actions should the federal government take to support workers to efficiently upskill their existing credentials, and support low-carbon industries to find skilled workers? How should the federal government collaborate with external partners to address low-carbon skills and training gaps?**

Canada must align training and educational capacity to meet the anticipated needs of a low-carbon workforce for upskilling or reskilling. A recent report by the Centre for Civic Governance estimates there will be 235,000 to 350,000 ongoing jobs created in the construction trades over the next 25 years, and an additional 60,000 to 90,000 jobs in operations and maintenance. This represents only a portion of the new employment demands of the net-zero economy.

The SJAP could introduce measures that promote accessible, affordable education and skill-building, while supporting accredited public training providers and union training centres to ensure that our systems are responsive to the needs of industry. Existing programs such as the Sustainable Jobs Training Fund serve this function by distributing funds to training providers based on a competitive process. Introducing criteria that favour projects associated with clean energy industries that are poised for growth would make this flow of capital more impactful, increasing the likelihood that workers who benefit from these programs and investments will find work upon completing their training.

Increasing labour mobility is essential for workers, especially skilled tradespeople and licensed professionals, to fill sectoral gaps in regions experiencing shortages. To that end, the SJAP should introduce criteria to expand the number of trades eligible for Red Seal certification and harmonize provincial and territorial licensing approaches, fulfilling a key Liberal platform commitment.

Once initial actions have been taken, we encourage the Government of Canada to commit to developing sector-specific workforce development plans that are in line with industrial strategies and respond to the evolving labour market needs of a clean economy. Plans for each sector should be developed through social dialogue with workers and in consultation with the provinces, territories, Indigenous rights holders, post-secondary institutions, labour groups and other civil societies, including the Sustainable Jobs Partnership Council. These plans would mobilize strategic labour market actions to link clean economy industries with skilled workers, ensuring access to high-quality, decent jobs.

Creating regional workforce development pathways tailored to specific sectors — and supported by networks of stakeholders — can lead to stronger, better-resourced programs. Canada's Innovation Clusters, for instance, model how publicly funded training can incentivize

contributions from multiple private stakeholders who directly benefit from sector-specific workforce expansion. This creates a strong business case for joint funding models to support recruitment, job readiness, training, and career development initiatives. Industry actors' involvement in developing and funding these initiatives also increases the likelihood that participants get hired by these firms at the end of their training or placement.

**Q6: What federal actions are most important in the near term to support diversifying the workforce in key sectors? What initiatives (by industry, government, or other organizations) are successfully supporting the inclusion, recruitment, retention, and leadership of Indigenous Peoples, Employment Equity groups, women, and youth in the low-carbon economy and workforce?**

#### *Supporting Indigenous people*

Many Indigenous communities have low economic autonomy, are often not included in economic planning and see little employment or economic benefit from infrastructure or natural resource projects on their lands. To bolster inclusivity in economic planning, many governments, including B.C., require that community benefits agreements (CBAs) be signed between developers and communities, ensuring proposed projects meet social objectives such as guaranteed jobs for locals or increased environmental scrutiny. The Government of Canada should follow B.C.'s lead and require CBAs for public projects while also providing funding to under-resourced communities so that they can participate fully in the consultation process.

CBAs can improve employment outcomes for Indigenous Peoples, women, and other equity-deserving groups. BC Infrastructure Benefits (BCIB) is the Crown corporation that implements the province's CBA, hiring all workers on select public infrastructure projects. It has successfully created a diverse, fairly paid unionized workforce through hiring quotas and respectful workplace training. The federal government, in partnership with organized labour, should establish a national version of BCIB to ensure that all infrastructure projects are built with a diverse workforce and community benefits in mind.

#### *Supporting women*

Women face barriers to entering traditionally male-dominated sectors like the skilled trades, often experiencing hiring and workplace discrimination, unequal pay, and a lack of accommodations for responsibilities such as caregiving, which they are expected to take on. The federal government should partner with unions to develop programs that integrate women into sustainable career pathways. These programs should provide workplace readiness training, career services, employer connections, and wraparound supports. For instance, the Women's Employment Readiness Program, a pilot by Employment and Social Development Canada, collaborated with organizations offering pre-employment readiness and skills development,

funding 26 projects that provided transferrable skills with wraparound supports for women from equity-deserving groups.

### *Supporting youth*

A key gap in low-carbon workforce development efforts is youth recruitment and education, with many secondary school students self-selecting out of sustainable jobs in trades and STEM by not taking math and science courses. Filling labour gaps will require that youth are informed about sustainable career options, given access to labour market information, and provided early support in accessing sustainable jobs. Programs like B.C.'s Youth in Trades could be scaled up nationwide to help young people identify career opportunities, increasing uptake in the skilled trades.

Young people face an increasing cost of living, so monetary incentives can help support their entry into key sectors. The federal government should analyze labour market data and create a tuition credit program to entice youth, specifically equity-deserving students, toward in-demand sustainable jobs. For example, Ontario's Learn and Stay Grant helps support students entering programs in priority communities and incentivizes recent graduates to stay and work in them. In developing such a program, stakeholders should be consulted to ensure that institutions can accommodate increased demand and that employers have sufficient vacancies.

### *Supporting newcomers*

Most of Canada's labour force growth, including in sustainable jobs, is driven by newcomers, so supporting their workforce integration is crucial. In addition to employment equity groups identified in the Sustainable Jobs Act, newcomers should be given consideration as they face such barriers to employment as discrimination, language, and challenges gaining recognition of foreign credentials in a timely and cost-effective manner. The federal government should coordinate with provincial regulatory bodies to recognize foreign credentials more quickly and should align expedited work visas with labour force needs, starting newcomers in sustainable jobs on a path to permanent residency or citizenship. For instance, the Government of Ontario recently passed legislation to remove Canadian work requirements when attempting to get licensed in professions like engineering, a policy which should be implemented across the country. The federal government should also strengthen the Foreign Credential Recognition Program to help newcomers gain soft skills, language training, and upskilling to ensure that they have equal access to sustainable jobs.

**Q7: Actions to foster the move to a net-zero economy and the creation of sustainable jobs exist across all levels of government and society. What actions can your organization contribute to support achieving the changes needed?**

As a national clean energy think tank, the Pembina Institute recognizes that solutions to the energy transition are more than technological. Supportive measures are needed to ensure opportunities directly benefit workers and communities while minimizing potential impacts. At the Pembina Institute, our Equitable Transition program advances comprehensive policy solutions that support communities, the economy, and the climate through research, convening, and thought leadership. Our work bridges the policy areas of workforce development and energy, demonstrating the dynamic approach needed to advance energy system change. We will continue to work with other stakeholders, including leaders in labour, environmental, and civil society organizations to connect the issues that matter to them with opportunities and solutions presented by the clean economy. We will also provide government decision-makers with the analysis and policy insights needed to implement bold and impactful plans and strategies that benefit workers and communities in the path to net-zero.

**Q8: Does this discussion paper target the right themes and areas requiring change? Do you have anything else to add that has not been covered above or in previous engagements?**

The clean energy economy must be built on good quality, unionized jobs. The SJAP should explore measures to make it easier for workers to form or join a union, including introducing strategic labour law reforms, and to put in place a mechanism for ongoing social dialogue with workers.

This coming SJAP is a pivotal opportunity to align Canada's climate ambition with a clear, practical strategy for building a skilled, inclusive, and resilient workforce. By embedding strong labour standards in publicly funded projects, modernizing training systems, increasing equity in the workforce, and protecting workers through periods of disruption, the SJAP can help Canada translate its net-zero goals into a tangible nation-building agenda that delivers prosperity across regions and generations.

The Pembina Institute stands ready to support this effort through evidence-based research, convening, and collaboration with governments, labour, and industry. The right level of ambition can make the SJAP not just a policy framework — but a cornerstone of Canada's economic renewal and climate leadership.