

## **MEDIA RELEASE**

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## Alberta coal phase-out offers important blueprint for global shift from fossil fuels

EDMONTON – A new report released today by the University of Alberta's Parkland Institute argues that Alberta's approach to handling the accelerated phase-out of the province's coal-fired electricity generation offers an important case study as jurisdictions around the world grapple with ways to ensure a "just transition" to a low-carbon economy.

**Alberta's Coal Phase-Out: A Just Transition?** compares the programs put in place by both the Notley government and the federal government to the key principles of the literature on just transition, which is based on the idea that fossil fuel-dependent workers and communities should not disproportionately bear the burden of addressing climate change.

"The transition programs implemented as part of Alberta's coal phase-out provide an important real-world example for what has been a largely theoretical discussion about how best to transition to a low-carbon economy without sacrificing workers and communities," explains Ian Hussey, the lead author of the report. "While far from perfect, the Alberta transition programs provide a blueprint that will become increasingly important in the coming decades as the world makes the shift away from fossil fuels."

The accelerated phase-out of Alberta's 18 coal-fired electricity units announced in 2015 by the Notley government was a key element of the Alberta government's initiatives on climate change. Fourteen of these facilities will be converted to natural gas by 2029, which will result in an emissions reduction for the sector from 45.2 Mt in 2016 to 25 Mt in 2030. All three of the impacted companies—ATCO, TransAlta, and Capital Power—have announced plans to make the transition faster than mandated because of savings from reduced carbon costs and lower labour requirements.

The report found that there will be an estimated 2,890 layoffs by 2029 in coal mining and processing and power plant jobs as a result of the accelerated phase-out. A \$40-million provincial transition fund—including bridge to re-employment grants, bridge to retirement grants, funds for moving expenses, tuition vouchers, career and employment consulting services, and multi-stakeholder workforce adjustment committees—was put in place to assist impacted workers as part of the phase-out. An additional \$5 million was committed by the province to help impacted coal communities make the transition.

"There's no question that the transition away from fossil fuels will be jarring for many communities and workers, but well-designed government programs can significantly mitigate the impact of the coming global transition," Hussey says. "For instance, while the number of job losses from the coal phase-out are obviously significant, over the same time period an estimated 2,000 to 3,500 full-time equivalent jobs were projected to be created by the former government's focus on renewable energy and energy

efficiency and the work related to coal-to-gas conversions. The key is to design just transition programs that will help impacted workers move to the jobs of tomorrow."

Parkland Institute is a non-partisan public policy research institute in the Faculty of Arts at the University of Alberta. *Alberta's Coal Phase-Out: A Just Transition?* is available for <u>download on Parkland Institute's</u> website.

This report was undertaken as part of the Corporate Mapping Project (CMP). The CMP is a six-year research and public engagement initiative jointly led by the University of Victoria, the Canadian Centre for Policy Alternatives BC and Saskatchewan Offices, and Parkland Institute. This research was supported by the Social Sciences and Humanities Research Council of Canada (SSHRC).

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