

For Immediate Release

The Task Force for Real Jobs, Real Recovery Releases Natural Resource-Focused Economic Recovery Plan

Sector could create 2.6 million new jobs while setting the foundation for a low-emissions future

VANCOUVER, B.C., August 19, 2020: Today, the national <u>Task Force for Real Jobs, Real Recovery</u>—which represents over a quarter of a million businesses and over 3 million workers across Canada—released <u>Securing Canada's Economic Future: Natural resources for real jobs and real recovery</u>, a blueprint for Canada's economic recovery in the face of the COVID-19 pandemic.

Economic modelling conducted for the Task Force indicates that with the right success conditions, natural resources and manufacturing could create up to 2.6 million new jobs and up to a 17 per cent increase in real gross domestic product (GDP). This could amount to a nearly \$200-billion increase in potential labour earnings, while still moving Canada towards a low-emissions future.

"We need economic solutions that punch above their weight. It's the only way to address the significant fallout to our economy caused by COVID-19," said Stewart Muir. "Projections are for our economy to shrink from 6 to even 7 per cent if we see a second wave in 2020. The good news is that the resource sector can be our engine of growth, while we continue to take meaningful climate action."

In the first quarter of 2019, resource industries directly contributed \$236 billion to Canadian GDP, representing 11.3 per cent of the Canadian economy. The sector's workers are paid the highest average annual salary of any sector. This means their pay will help to generate the demand for goods and services needed to drive employment in other sectors including retail, real estate, entertainment, hospitality and tourism. An investment in a single oil and gas job creates up to six other jobs across our economy.

The resource sector is also key to economic reconciliation with Indigenous communities and peoples. Indigenous-owned businesses are 40 times more likely to be involved in the mining and oil and gas sectors than the average Canadian business. The resource sector hires twice as many Indigenous employees and pays on average twice as much in wages as other sectors.

Canada is also a global leader in developing resources and manufactures goods with some of the lowest greenhouse gas intensity levels in the world. For example, Canadian potash is produced with only one third of the global average emissions intensity. As the global economy continues to demand resources and energy, there is a net benefit to the world to use Canadian products because of the lower impacts on climate. In addition, we have some of the leading safety measures in the world. Increasingly the sector is sharing its experience integrating resource development with sustainability and best-in-class environmental management with other countries in areas such as mining, chemistry, forestry and pipelines.

"The reality is that the resource sector is foundational to Indigenous people's success," said Karen Ogen-Toews, Councillor, Wet'suwet'en First Nation and CEO, First Nations LNG Alliance. "It helps to provide jobs for people in their communities, provide family-supporting wages and empower our nations increasingly as co-managers. If we are going to come back from the COVID-19 pandemic, we need these opportunities."

The report makes 19 recommendations for how to enable the resource sector to meaningfully advance the prosperity and vitality of Canadian society, communities and workers. It indicates that urgent action is required by federal policy makers in order to realize this vision and emerge—with the support of mining, oil and gas, forestry, chemistry, manufacturing, construction and transportation—from the COVID-19 crisis into a brighter future.

Securing Canada's Economic Future asserts that global and trade competitiveness will be core determinants of the success of our economic recovery and the return to our standards of living for individuals and families. It also determines that a status quo approach to economic recovery would neglect opportunities to generate significant, sustained and shared benefits for all Canadians.

"Collaborative and ambitious leadership by the federal government, with alignment across all levels of government, stands to unleash the full potential of natural resource industries," said Muir. "We are hopeful that the federal government will review these recommendations with us and begin implementing them as fast as possible. We simply have no time to waste."

The Task Force was convened to develop specific recommendations to inform federal policy direction on Canada's economic recovery. By clearing the way for innovation, the federal government can secure the place of nation-building resource assets in aiding long-term environmental goals as well as securing our prosperity.

The Report includes a series of extensive, wide-ranging recommendations to achieve these goals, among them:

- Mobilizing resource prosperity by leveraging Canada's world-class industries; advancing regulatory efficiency; attracting capital investment; enhancing critical infrastructure; ensuring access to resource lands; and maximizing Indigenous economic participation
- **Building meaningful employment** by ensuring job creation; building employment resiliency; advancing Indigenous employment; and enhancing skilled workforce mobility
- Accelerating innovation and environmental competitiveness by aligning climate action and
 natural resource development; driving challenge-oriented innovation; advancing emissions
 reduction technologies and plastics innovation; supporting advancements in sustainable forestry
 and mining; and developing hydrogen and small modular nuclear reactor industries

The Task Force will deliver the report and recommendations to the Federal Government, including the Industry Strategy Council, a federal initiative launched in response to the economic effects of the COVID-19 pandemic.

Interviews with <u>Task Force advisors</u> and representatives of <u>organizations in the coalition</u> available on request.

ABOUT THE TASK FORCE FOR REAL JOBS, REAL RECOVERY

The <u>Task Force for Real Jobs, Real Recovery</u> is supported by a coalition of over 35 industry associations, unions, professional organizations and Indigenous organizations representing the energy, manufacturing, chemistry, mining, transportation, forestry and construction sectors. A group of 20 expert advisors has been appointed to help develop and communicate a set of policy recommendations for rebuilding Canada's economic prosperity. The Task Force represents over a quarter of a million businesses and over 3 million workers across Canada.

Details of the economic analysis provided by Dr. G.K. Fellows is available in the appendix of the <u>full</u> report, available at realrecovery.ca/media.

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ADDITIONAL QUOTES

"As a trading nation, Canada owes its economic prosperity and relatively high per-capita income to the export of large-volume commodity and resource-based manufactured goods. As Canada recovers and rebuilds, it is essential to grow our traditional resource-based export industries, enhance their cost and carbon competitiveness and, at the same time, develop new industries and technologies to diversify our trading economy. Zero-emissions hydrogen and critical minerals for clean technology offer exceptional opportunities."

Patricia Mohr, Economist and Commodity Market Specialist

"Canada's performance in demonstrating environmental and technological leadership in the development of our natural resources is unparalleled. Canadians and industry leaders recognize the importance of continuing this track record and leveraging the potential of our natural resources. We remain hopeful that our elected leaders will support our natural resources sector because it can be a key driver for our economy while also focusing efforts on the importance of transitioning to lower emissions through Canadian ingenuity and innovation."

— Sheri Somerville, CEO, Atlantic Chamber of Commerce

"The Task Force for Real Jobs, Real Recovery has put forward very pragmatic and insightful policy recommendations that will accelerate Canada's economic recovery and play a pivotal role in achieving our environmental objectives. With abundant cost-advantaged natural resources, a diverse and skilled workforce, and world class infrastructure, Canada is uniquely positioned to be a world leader in its recovery from COVID-19 while contributing to lower global greenhouse gas emissions."

— Mayor Alanna Hnatiw, Chair, Alberta's Industrial Heartland Association

"I am very pleased that our organizations are part of this important coalition that understands the importance of combining the environmental and economic priorities of Canadians. This is a unique opportunity to establish a constructive dialogue on the subject of sustainable development of natural resources in this country and to ensure that we develop an economic sector that has direct and indirect benefits in the construction industry and that allows our members to enjoy high quality jobs."

— Michel Trépanier, President, Québec Provincial Building Trades Council and International Representative, International Brotherhood of Boilermakers

"Now, more than ever, Canada needs the enthusiastic support of government for a vibrant, productive and environmentally-sound resource sector to help drive investment, good-paying jobs and economic growth. This report helps chart the course to a better future for all communities, workers and Canadians."

— Darrel Reid, Vice President, Progressive Contractors Association of Canada (PCA)

"Chemistry relies on the resource sector to supply the materials needed to produce countless essential products—including PPE and sanitizer to limit transmission of COVID-19. More than 95 per cent of all manufactured products rely on chemistry, and advances in key sectors such as green buildings, sustainable transportation, clean energy and sustainable agriculture would be impossible without it. The path forward is clear. Canada's economy needs more resource sector investment and jobs, Canada's economy needs more chemistry investment and jobs."

Bob Masterson, President and CEO, Chemistry Industry Association of Canada

"Recovery is about people. This is a blueprint to make life better for the people of Canada; to build back better by delivering environmental progress, economic prosperity, and sustainable resource development. I am particularly excited about the idea of challenge-driven innovation to unleash our potential and make Canada the place that attracts the brightest minds and solves the world's biggest challenges."

— Adam Legge, President, Business Council of Alberta

"Transforming natural resources into economic opportunity and prosperity is one of Canada's greatest strengths and remains fundamental in the growth and development of our manufacturing industry. The Task Force for Real Jobs, Real Recovery has put forward a comprehensive roadmap to economic recovery that leverages Canada's competitive strengths and draws on manufacturers' expertise in turning raw materials into value-added products."

Alan Arcand, Chief Economist, Canadian Manufacturers and Exporters

TASK FORCE ADVISORS

The Task Force advisory group is charged with developing the package of policy measures. It includes:

- Lori Ackerman, Mayor, Fort St. John and Member, Resource Municipalities Coalition
- Alan Arcand, Chief Economist, Canadian Manufacturers and Exporters
- Mike Cleland, Energy and Environmental Policy Consultant
- Colleen D'Entremont, President, Atlantica Centre for Energy
- Karen Graham, Principal, KMG Strategy and regulatory expert
- Alanna Hnatiw, Chair, Alberta's Industrial Heartland Association and Mayor, Sturgeon County
- Tenzin Khangsar, Founder and Managing Partner, Kanata Impact Ventures
- Tim McEwan, Senior Vice President, Independent Contractors and Businesses Association
- Robert R. McLeod, Former Premier, Northwest Territories
- Patricia Mohr, Economist & Commodity Market Specialist and Former Vice-President, Scotiabank
- Karen Ogen-Toews, Councillor, Wet'suwet'en First Nation and CEO, First Nations LNG Alliance
- Adam Pankratz, Lecturer, UBC Sauder School of Business
- Joseph Quesnel, Indigenous Policy and Governance Researcher
- Darrel Reid, Ph.D, VP Public Affairs, Progressive Contractors Association of Canada
- Kim Rudd, Former MP and Parliamentary Secretary to the Minister of Natural Resources
- Wally Schumann, Former Cabinet Minister, Northwest Territories
- Sheri Somerville, CEO, Atlantic Chamber of Commerce
- Michel Trépanier, President, Quebec Building Trades and International Representative, International Brotherhood of Boilermakers
- Mac Van Wielingen, Founder and Partner, ARC Financial and Former Chair, AIMCo
- Sean Willy, CEO, Des Nedhe Corporation

THE COALITION:

The coalition comprises the following organizations:

- Aboriginal Skilled Workers Association
- Alberta Chamber of Resources
- Alberta Forest Products Association
- Alberta's Industrial Heartland Association
- Association for Mineral Exploration of BC
- Atlantic Chamber of Commerce, Chambre de Commerce de l'Atlantique
- Atlantica Centre for Energy
- BC Chamber of Commerce
- BC Construction Association
- Business Council of Alberta
- Canada West Construction Union
- Canada Works Council
- Canada's Ironworkers
- Canadian Association of Oilwell Drilling Contractors
- Canadian Association of Petroleum Producers, Association canadienne des producteurs pétroliers
- Canadian Chamber of Commerce, Chambre de Commerce du Canada
- Canadian Energy Pipelines Association, Association canadienne de pipelines d'énergie
- Canadian Fuels Association, Association canadienne des carburants

- Canadian Manufacturers & Exporters, Manufacturiers et Exportateurs du Canada
- Chemistry Industry Association of Canada, Association canadienne de l'industrie de la chimie
- Christian Labour Association of Canada
- Conseil provincial du Québec des métiers de la construction (International), Québec Provincial Building Trades Council (International)
- Des Nedhe Development
- First Nations LNG Alliance
- Forest Products Association of Canada, Association des produits forestiers du Canada
- Independent Contractors and Businesses Association of BC
- Indigenous Resource Network
- International Brotherhood of Boilermakers
- NWT & Nunavut Chamber of Mines
- Petroleum Services Association of Canada
- Prince George Chamber of Commerce
- Progressive Contractors Association of Canada
- Resource Municipalities Coalition
- Resource Works Society
- Saskatchewan Mining Association
- Surrey Board of Trade
- Truck Loggers Association