Federal Authority Advice Record (FAAR)

The FAAR must be submitted to the Registry by April 4, 2024

Cando Sturgeon Rail Terminal West Expansion Project – Cando Rail and Terminals Ltd. Agency File: 87381

Department/Agency	Employment and Social Development Canada (ESDC)	
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1. a) Is it probable that your department or agency may be required to exercise a power or perform a duty or function related to the Project to enable it to proceed?

If yes, specify the Act of Parliament and that power, duty or function.

ESDC does not exercise powers, nor perform specific duties or functions related to the Project to enable it to proceed.

The ESDC Minister's powers, duties and functions extend to and include all matters relating to human resources and skills development in Canada or the social development of Canada over which Parliament has jurisdiction, and which are not by law assigned to any other Minister, department, board or agency of the Government of Canada.

b) Please describe any Indigenous or public consultation that will be undertaken in relation to the exercise of that power, duty or function, including when it would take place.

While ESDC is not engaging with Indigenous groups regarding specific projects, it can provide the IAAC with information about relevant programming to assist in responses to Indigenous nations and members of the public.

ESDC also offers a suite of programming to promote an efficient and inclusive labour market that includes the following:

Indigenous Skills and Employment Training (ISET) Program

- The ISET Program provides funding to Indigenous service delivery organizations across Canada that design and deliver job training services to First Nations, Inuit, Métis and urban/non-affiliated Indigenous people in their communities.
- The ISET service delivery organizations work closely with employers to identify Labour Market needs. Organizations link training needs to the job market by providing skills and training required to find a job such as: a suite of skills development and job training, from essential skills such as literacy and numeracy to more advanced training for in-demand jobs.
- They also offer a range of wrap-around services (such as help with childcare supports and transportation) during training in order for individuals to achieve long-term career goals. Service delivery organizations are responsible for retaining client information such as: number of skilled workers, training history, and education (Certificates/Diplomas) and Apprenticeships.

Other ESDC programs and services can be found here.

2. Is your department or agency in possession of specialist or expert information or knowledge in one of your fields of expertise that may be relevant to the conduct of an impact assessment of the Project?

Specify the specialist or expert information or knowledge.

As a federal authority, ESDC provides advice on: social development; learning, skills development, employment, unemployment, underrepresented groups, and; working conditions and workplace relations, including relevant programming with respect to Indigenous Peoples.

3. Has your department or agency exercised a power or performed a duty or function under any Act of Parliament in relation to the Project; or taken any course of action that would allow the Project to proceed in whole or in part?

Please specify if applicable.

No.

4. Has your department or agency had previous contact or involvement with the proponent or other party in relation to the Project (for example: an enquiry about methodology, guidance, or data; introduction to the Project)?

Please provide an overview of the information or advice exchanged.

No.

5. Does your department or agency have additional information or knowledge about the project not specified above, including information about its geographic, environmental, economic or social context (for example, location of protected or sensitive areas, history between local communities and proponent or similar projects, local or regional social or economic concerns)?

Please specify if applicable.

No.

6. From the standpoint of your department's mandate and expertise, what are the main issues concerning the project?

For each key issue, please:

- describe the effect or the nature of the issue, including any relevant context;
- provide the rationale and/or evidence for why it is a key issue;

- briefly provide solutions to the issue, including information or studies that, if applicable, should be requested to the proponent in the Tailored Impact Statement Guidelines, potential mitigation measures, or regulatory requirements relevant to the issues:
- provide a concise, plain-language summary of the issue for inclusion in the Summary of Issues.

The information provided will be taken into consideration by the Agency to formulate an opinion on whether an impact assessment is required and, if applicable, will be taken into account in developing project-specific Tailored Impact Statement Guidelines in the next steps of the impact assessment process.

Please use Table 1 to answer this question.

Below are some examples of subject areas that ESDC would focus on in its review of the Project (to be developed at subsequent stages of the Project documentation):

- Community profiles with the following socio-economic information relevant to ESDC's mandate:
 - The current socio-demographic characteristics of the economic sector workforce of the project;
 - The labour force characteristics by age group and sex (if possible) of all impacted communities including the availability of skilled and unskilled workers, existing working conditions, wages and/or average salary range, full-time and part-time employment and training; inclusion of a hiring strategy and any efforts made towards promoting an inclusive labour market;
 - The anticipated number of jobs created, how they will be added over the project's lifespan, jobs created in Canada vs. other countries, the type of skills and knowledge that could be required to support the completion of the project; how the project's budget will be spent in the local region and the province and how it would benefit the local area;
 - The main economic activities in the study area;
 - Accessibility to programming similar to the following: Indigenous Skills and Employment Training Program (ISET), and Skills and Partnership Fund(SSWP);
 - Employment barriers to participation for local under-represented groups such as visible minorities, indigenous person, people from a lower socioeconomic status, persons with disabilities, and GBA+ groups;
 - Availability, affordability and appropriateness of child care as part of the measurement of the change in infrastructure in services; and
 - Baseline conditions and projected impacts, for example, as outlined in the Tailored Impact Statement Guidelines (TISG) template.
- Information regarding both local and other relevant labour markets. This includes initial labour market conditions and the anticipated impacts of the Project on the labour market, including:
 - training and hiring strategies, including the intent to support diversity and inclusion throughout them;
 - effects to employment and how any adverse effects to employment would be managed, or mitigated;
 - applying a gender-based analysis plus (GBA+) lens in considering the effects to employment (e.g., Consideration of underrepresented groups).
- 7. If applicable, specify any additional information the proponent could provide in the Detailed Project Description or in its response to the Summary of Issues that:
 - would make it possible to verify whether certain minor issues could be addressed and managed by clear measures, existing guidelines, other regulatory processes or other existing tools;
 - help the Agency to provide an opinion if an impact assessment is required, or
 - would support the tailoring of the Impact Statement Guidelines if the Agency is of the opinion that an impact assessment is required.

These clarifications and additional information will be included as specific questions/issues in the Summary of Issues provided to the proponent.

Please use Table 2 to answer this question.

- It is recommended that engagement take place with the existing ESDC programming, for example, ISET service delivery network, occur to ensure that the existing federal training network is utilized.
- It is encouraged for the proponent to make a clear and early attempt at applying GBA+ throughout their analysis. In situations where it may not be feasible to provide all the necessary information, particularly in the initial stages of the project, we request that the proponent clarifies their intentions to implement GBA+. This can be achieved by specifying the information they intend to include in the future, aiming to minimize the volume of comments due to missing details.

Sarah Strapps
Name of department or agency involved
Director of Policy Integration and Special Projects (PISP), Skills and Employment Brach (SEB), ESDC
Speaker title
Date

Comment Table. Details or additional information the proponent could include in the Detailed Project Description or in the response to Summary of Issues

Comment ID	Relevant section of the Initial Project Description	Description of the Issue, Concern or Uncertainty	Clarifications or additional information	Plain-language summary for inclusion in Summary of Issues
Please identify comments by organization and comment number. e.g. AEIC-01	If the comment is related to a specific section of the Initial Project Description, please provide a reference. You may also choose to copy the relevant text here.	Provide a description of the issue, concern or uncertainty that the proponent could include in its Detailed Project Description, which could be framed and managed by clear measures, existing guidelines, regulatory processes or other existing tools, and thus be the subject of a simplified information request in the guidelines, or simply be disregarded.	 Specify what additional information the proponent could provide in the Detailed Project Description to address the issue, concern or uncertainty, for example: Clarifications to elements of Project Description (e.g. components, activities, locations or alternatives); Proposals on Project design changes that could avoid effects; Evidence that could demonstrate that the effects will be negligible; Evidence that standard mitigation measures will reduce or eliminate potential effects; Commitments the proponent could make to respond to the question/issue, including the implementation of federal operational policies or guidance documents. 	For issues to be included in the Summary of Issues, provide a concise, plain-language synopsis of the issue and any questions or instructions for the proponent, if applicable.
ESDC-1	1.4 Indigenous Engagement Pages: 13-15	The proponent has engaged and gathered initial feedback on the project with the following First Nations and Metis communities (some of which are Indigenous Skills and Employment [ISET] Program service delivery providers, highlighted below): Alexander First Nation; Montana First Nation; Otipemisiwak Métis Government; Alexis Nakota Sioux Nation; Paul First Nation; Otipemisiwak Métis Government; Enoch Cree Nation; Saddle Lake Cree Nation; Buffalo Lake Métis Settlement; -Region 4Ermineskin Cree Nation; Samson Cree Nation; Kikino Métis Settlement; Kehewin Cree Nation; Foothills Ojibway First Nation; Lac Ste. Anne Métis Community Association; Louis Bull Tribe Kelly Lake First Nation.	In addition to the ISET service delivery partners the proponent is already engaging with, it is strongly recommended that the proponent also engage the following ISET Program service delivery providers about the project: Rupertsland Institute; Métis Settlements General Council; Yellowhead Tribal Development Foundation; and Oteenow Employment and Training Society. It is recommended that the proponent share the scope and details of the Project activities (e.g., type and number of jobs, timelines, and any other relevant information) with all ISET service delivery	That in addition to the engagement that has occurred with some of the ISET service delivery provider that a bullet be added recommending that they engage with remaining employment and training organizations (e.g. ISET service provider) who also serve Indigenous People so that the scope and details pertaining to the project activities, such as type and number of jobs, timelines, and any other relevant information, be shared with the surrounding Indigenous

providers, so that training partners can work to prepare their clients to be ready to access these jobs.

<u>Indigenous Skills and Employment Training</u> (ISET) <u>Program</u>

The ISET Program provides funding to Indigenous service delivery organizations across Canada that design and deliver job training services to First Nations, Inuit, Métis and urban/non-affiliated Indigenous people in their communities.

The ISET service delivery organizations work closely with employers to identify labour market needs. Organizations link training needs to the job market by providing skills and training required to find a job such as: a suite of skills development and job training, from essential skills such as literacy and numeracy to more advanced training for indemand jobs. They also offer a range of wraparound services (e.g. help with childcare supports and transportation) during training in order for individuals to achieve long-term career goals.

There are 18 First Nations and two Metis service delivery organizations in Alberta. There could be a potential partnership between one or more of the existing Indigenous service delivery organizations related to the project activities to support local labour force participation related to the project.

The 5 closest ISET service delivery organizations to the project in Sturgeon County, Alberta are:

- Rupertsland Institute
- Métis Settlements General Council
- Enoch Cree Nation
- Yellowhead Tribal Development Foundation;
- Oteenow Employment and Training Society

communities, so that training partners can work to prepare their clients to be ready to access these jobs. ISET service providers are in a position to provide information on the labour force/potential employees, given they are largely aware of individuals who have already been trained or who could be trained to access these jobs.

			Link to the list of ISET service delivery organizations in Alberta: Get the skills and training you need by finding your local Indigenous service delivery organization - Canada.ca It is recommended that engagement with the five local and the broader ISET service delivery network occur to ensure use of the existing Federal training network.	
ESDC-2	3.3 Health, Social and Economic Context	"There would also be the necessity of part-time skilled labour throughout the construction phase of the project which is scheduled to take more than six years to full-build out" (pg. 55). The IPD does not include the availability of skilled and unskilled workers and the type of skills and knowledge that could be required to support the completion of the project in the area covered by the community profile.	Provide the availability of skilled and unskilled workers and the type of skills and knowledge that could be required to support the completion of the project as part of this section.	What, if any, is the availability of skilled and unskilled workers and the type of skills and knowledge that is required for skilled workers? Understanding the availability of skilled and unskilled workers, as well as the specific skills and knowledge required, informs workforce development strategies, and training programs.
ESDC-3	3.3 Health, Social and Economic Context	The IPD does not reference potential employment barriers to participation for under-represented groups in the local labour market.	Identify potential employment barriers to participation for under-represented groups in the local labour market.	What, if any, are potential barriers to participation and employment for groups who are underrepresented in the local labour market?
ESDC-4	3.3.3: Economic Context	Income statistics for Sturgeon County are not compared to the Alberta average.	Compare Sturgeon County income statistics to the average for Alberta.	A comparison of Sturgeon County and Alberta income statistics would help to evaluate the state of the local economy.
ESDC-5	3.3.3: Economic Context	Employment statistics are incomplete.	Add statistics concerning Sturgeon County's employment: participation rate, employment rate, and unemployment rate, if these are available, and then compare these to the provincial averages.	The inclusion of these statistics would provide a more comprehensive picture of the strength of the local economy

				and its capacity to provide workers for the project.
ESDC-6	3.3.3: Economic Context	Little is said about the local workforce's capacity to contribute to the rail terminal expansion.	Say more about the skills of the local workers, the relevance of these skills to the project, whether training would be necessary to recruit local workers, and whether the use of workers from outside the region may be necessary. Some of this information is provided in 5.4.1.3, where one reads that every week, during the construction phase, an estimated 35 workers would travel to the site from outside of the region. This information could also be provided in the current section.	If workers need to be brought in from outside of Sturgeon County, this would reduce the project's benefits to the region, as a significant proportion of employee salaries would not be spent there. It is thus important to know if the facility can be built solely with local labour.
ESDC-7	3.3.3: Economic Context	There are few statistics on persons other than Indigenous peoples who live in Sturgeon County and are members of groups that are underrepresented in the labour market, such as women, youth, persons with disabilities, recent immigrants, and members of visible minorities.	Add statistics concerning members of these groups, particularly their number and labour market situation. It is possible that these statistics do not exist for the county proper, in which case statistics for the wider region could be provided (e.g., the Edmonton Metropolitan Region, of which Sturgeon County is a part).	Given that the improvement of the labour market outcomes of members of these groups is a priority, statistics concerning them would be helpful in measuring progress towards this goal.
ESDC-8	3.3.3: Economic Context	It is said that the project would result in the spending of \$140 million in Sturgeon County. Is this the rail terminal expansion's entire budget, or only the amount that would be spent locally?	State what is the project's budget by operating phase, and how much of this money would be spent in Sturgeon County, particularly on recruitment, employment and training. This information could be included in section 5.	The project's budget and local spending are both necessary to help determine its impact.
ESDC-9	5: Potential Effects of the Project	How many jobs would be created by project phase? It is written on pages 46 and 51 that the project would create 40 full-time jobs in its operations phase, but this gives no information with respect to the construction phase.	Specify how many jobs would be created by project phase, as well as how many would be full-time, part-time, direct, and induced.	The number and type of jobs to be created by project phase is a very important consideration when assessing a project's benefits.
ESDC-10	5: Potential Effects of the Project	The description does not indicate how the wages, benefits, and working conditions of its workers would compare to those of other persons working in the same region, in the same province, or in the same occupation.	Note how the wages, benefits, and working conditions of employees would compare to those of persons living in the region and elsewhere in Alberta, and those working in similar jobs.	Employee compensation and working conditions are important factors in determining a project's benefits.

ESDC-11	5: Potential Effects of the Project	What efforts would be made to hire and train members of groups other than Indigenous peoples that are underrepresented in the labour market, such as youth, women, persons with disabilities, recent immigrants, and members of visible minorities?	List the efforts that would be made to hire and train members of these groups.	The improvement of the employment situation of groups that are underrepresented in the labour market is a priority. The proponent should thus elaborate upon the efforts it intends to make to contribute to the achievement of this priority.
ESDC-12	5.3: Impact to Indigenous Peoples	There is little description of efforts to maximize the positive economic impacts of the rail terminal on Indigenous peoples.	Provide more information concerning efforts to recruit and train Indigenous peoples, as well as to hire them as contractors.	This rail terminal expansion project is an opportunity to improve the employment and economic situation of Indigenous peoples in the area. Given that this improvement is a priority, the proponent should elaborate upon how this project could make a contribution to this priority.
ESDC-13	5.3 Impact to Indigenous Peoples	"There has been some interest from Indigenous groups to have the opportunity to bid on or provide vendor services. Cando will work with qualified Indigenous peoples with skills and services required for the project during the procurement process" (pg. 61). Although Indigenous groups are mentioned for the procurement process, the IPD does not provide a detailed description of how this or the project in general would employ Indigenous peoples locally and benefit their communities.	Provide further details as to how the project would prioritize Indigenous peoples for local employment. Also provide further details about the expected economic benefits of the project on Indigenous communities in the local area.	Are there any anticipated barriers to employment for local employment? What occupations are involved in this project and what skills are required for potential candidates? Would there be a target Indigenous workforce percentage? Would employment prioritize the hiring and training and Indigenous peoples? Fostering project employment and training opportunities for Indigenous peoples supports inclusive economic development.

5.3 Impact to Indigenous	The Proponent mentions that there would be an increase in the	Please refer to ESDC-01.	If and how Indigenous people,
Peoples	workforce during the construction phase and the creation of up to 40		communities and businesses
	full-time jobs for operation. They also mention that, to date, there has		would receive prioritized or
Pages:50-51	been some interest from Indigenous groups to have the opportunity to		targeted employment and
	bid on or provide vendor services. The proponent has committed to		business opportunities.
	working with qualified Indigenous peoples (i.e. with skills and services		How the Proponent would
	required for the project) during the procurement process.		enhance collaboration with local
			Indigenous peoples and
	It is strongly recommended that the Proponent also engage and discuss		communities, and develop
	these opportunities with the Indigenous Skills and Employment Training		strategic targeted programs.
	(ISET) Program service delivery providers.		
	It should also be noted that the anticipated socio-economic impacts of		
	this project align with the Government of Canada's commitment to		
	reconciliation and ongoing implementation of the Truth and		
	Reconciliation Commission of Canada's Call to Action #7, and shared		
	priority #102 of Canada's United Nations Declaration on the Rights of		
	Indigenous Peoples Act Action Plan, both of which include elements		
	related to employment.		