

Project Insights Report

Workers Perspectives on Alberta's Coal Workers Transition Program



PARTNERS

Labour Education
Centre



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Executive Summary

This project examined how effectively Alberta's Coal Workforce Transition Program supported workers affected by the province's coal phase-out and what lessons it offers for future transition efforts in Canada. The phase-out, announced in 2015 and completed in June 2024, was driven by Canada's climate commitments under the Paris Agreement but initially prioritized compensation for energy companies, with limited attention to workers and communities. In response, labour-led advocacy, most notably by the Alberta Federation of Labour, helped establish a \$40 million transition program providing options for retraining, relocation, and early retirement.

The study is based on semi-structured interviews with 38 former coal workers or their spouses conducted in summer 2025. It represents one of the first Canadian efforts to return to displaced workers after an industry closure to assess whether transition supports met real needs. Findings show that while the program offered meaningful assistance for some, outcomes varied widely depending on age, clarity of information, and access to personalized support. Early retirement pathways were generally effective for older workers, while mid-career workers (ages 45–54) faced the greatest difficulty navigating retraining without income supports. Many participants reported confusion around taxation, benefit eligibility, and pension outcomes, leading to financial stress and a sense of being “short-changed.”

The research underscores that timelines, communication, and human support structures are critical to successful transitions. Workers consistently emphasized the value of early notice, clear and accessible information, mental health supports, and dedicated caseworkers embedded in local transition centres.

Overall, the project demonstrates that transition policies succeed when they are worker-centred, co-designed with communities and labour, and integrated across employment, income, and social supports —offering essential guidance as Canada prepares for future climate-driven industrial change.

KEY INSIGHTS

- 1 Of the 38 displaced coal workers interviewed, 23 were re-employed and 7 fully retired several years after the phase-out, indicating that most participants ultimately found a pathway out of coal, though often with lower incomes than before.
- 2 Transition outcomes depended less on the availability of benefits and more on how clearly programs were communicated and supported, with workers consistently emphasizing the importance of accessible information and trusted, human points of contact to navigate complex rules.
- 3 Early retirement pathways worked best for older workers, while mid-career workers (approximately ages 45–54) experienced the greatest difficulty, revealing a persistent policy gap for those considered too young to retire and who feel too old to retrain.

The Issue

Canada is entering a period of accelerated economic transition driven by climate policy, technological change, and rising geopolitical instability. While decarbonization is advancing unevenly, several regional economies are already experiencing sectoral disruption due to declining high-carbon industries and trade shocks. These pressures have exposed a longstanding weakness in Canada's approach to workforce adjustment: displaced workers are often redirected into generic employment programs that are poorly aligned with their skills, local labour markets, and community realities. Historically, there has been limited follow-up to assess whether these programs work, for whom, and under what conditions.

The need for effective transition workforce development programs is now urgent. Canada's climate commitments are anchored in the 2015 Paris Agreement, which explicitly recognizes the imperative of a just transition for workers and the creation of decent work. Yet Canada's record responding to large-scale industrial closures has been mixed. Previous transitions, such as the collapse of the Atlantic cod fishery and reductions in west coast salmon fisheries, were characterized by fragmented supports, inadequate income security, and limited long-term planning. These experiences highlight the risks of reactive policy responses that prioritize market adjustment over worker well-being and community stability.

The phase-out of coal-fired electricity generation in Alberta provides the most recent and instructive Canadian case. Announced in 2015 and completed in June 2024, the coal phase-out eliminated thousands of jobs across mining and power generation, disproportionately affecting rural and single-industry communities. Initial policy responses focused heavily on compensating energy companies for stranded assets, with limited attention to workers or municipalities. Meaningful transition supports for workers only emerged after sustained community consultation and labour-led advocacy, culminating in the Coal Worker Transition Program delivered jointly by provincial and federal governments.

More broadly, the Alberta coal transition underscores a critical knowledge gap in Canada's approach to workforce transitions: there is insufficient evidence on which transition measures work best for different worker groups, how timing and program design shape outcomes, and how supports can be coordinated across governments, unions, employers, and communities. As fossil fuel employment continues to decline, often due to market forces rather than climate policy alone, these gaps will become increasingly consequential. Without deliberate, evidence-based transition planning, future disruptions risk repeating past mistakes at a much larger scale.

This project addresses that gap by examining worker experiences within the Alberta coal transition to extract actionable lessons for future transition policy. Understanding what worked, what did not, and why is essential for designing workforce development strategies that are fair, cost-effective, and capable of supporting workers and communities through the low-carbon transition that is already underway.



What We Investigated

This research project examined whether Alberta's Coal Workforce Transition Program met the needs and expectations of workers displaced by the phase-out of coal-fired electricity generation and associated coal mining in Alberta. The study focused on coal workers and their families who experienced the industry-wide closure, intending to document lived experiences of transition and assess how workforce supports functioned in practice. The operational perspective of the program's providers was outside the scope of this project.

The project was guided by three core research questions:

1. What approaches and resources are effective at helping communities and regions to proactively transition to low-carbon activities?
2. What measures are most effective in ensuring that affected workers, Indigenous People and other underrepresented communities have significant and meaningful agency (and leadership) in planning for the net-zero transition?
3. What skills-related measures are most effective at optimizing the transition of workers from declining to growing sectors or occupations?

To address these questions, the research examined the transition process from the perspective of displaced coal workers, including their experiences with income supports, retraining, relocation, retirement pathways, and re-employment outcomes. The study also situated individual experiences within a broader macroeconomic context, drawing on employment data and trends in the fossil fuel sector to better understand the structural conditions shaping transition outcomes.

An exploratory qualitative research design was used to address critical gaps in Canadian evidence on transition programming. Based on current knowledge, this is the first Canadian study to return to workers after an industry closure to assess whether transition supports met expectations and needs. Semi-structured interviews were chosen to capture complex personal, household, and community impacts that are not reflected in administrative or program-level data.

Data collection consisted of semi-structured interviews with 38 participants, including displaced coal workers and, in some cases, spouses or partners, who accessed the Alberta Coal Workforce Transition Program. Interviews were conducted primarily through virtual platforms, with a smaller number held in person, during the summer of 2025. Recruitment occurred through community and labour organizations supporting transitioned workers, supplemented by targeted outreach in affected regions.

Interview transcripts were analyzed using a thematic content analysis approach supported by qualitative analysis software. An iterative coding process was used to identify patterns, divergences, and recurring themes related to program effectiveness, worker agency, skills development, and community impacts. This approach generated evidence-informed insights intended to inform future transition workforce development policies and improve transition planning for workers and regions facing similar disruptions.

What We're Learning

Transition supports were valuable but unevenly understood and accessed

While many participants accessed financial supports such as bridge-to-retirement, bridge-to-reemployment, and tuition vouchers, several reported learning *after the fact* that they had been eligible for additional benefits. Confusion around program rules, eligibility criteria, and timelines meant that the effectiveness of supports often depended on whether workers had access to knowledgeable intermediaries such as union representatives, HR staff, or community-based transition centres. As a result, the same program produced very different outcomes across workers with similar circumstances.

Early retirement pathways produced the most consistently positive outcomes

Workers who accessed early or bridge-to-retirement options, particularly those aged 55 and older, reported the highest levels of satisfaction and stability. These supports allowed workers to avoid forced retraining late in life and reduced financial and emotional stress during the transition. In contrast, workers aged 45–54 repeatedly described being “too young to retire but too old to retrain,” indicating a significant policy gap for mid-career workers. This age cohort experienced the greatest frustration and uncertainty, suggesting that current transition designs insufficiently account for mid-life career constraints.

Training supports were underutilized due to structural and financial barriers

Although tuition vouchers of up to \$12,000 were available, many workers were unable to use them effectively. The absence of living-expense supports made retraining financially infeasible for workers with families or mortgages, particularly when programs required full-time attendance. Several participants reported that eligible training programs were unavailable locally, misaligned with layoff timelines, or restricted to specific institutions. These findings indicate that tuition coverage alone can be insufficient to enable meaningful reskilling, especially for displaced workers in rural or single-industry regions.

Clear communication and personalized guidance strongly shaped worker outcomes

Workers consistently emphasized the importance of having a human point of contact to explain program options and consequences. Participants who received one-on-one guidance—from union-run transition centres, community organizations, or employer HR staff—were better able to navigate supports and avoid negative surprises. In contrast, workers who relied on written materials or websites alone frequently misunderstood rules, particularly regarding taxation and pension impacts. Several participants reported unexpected tax bills and lower-than-anticipated pension payments, which undermined trust in the transition process despite the availability of financial supports.

Mental health and community impacts were insufficiently addressed

Job loss affected not only income but also identity, mental health, and community cohesion. Workers described heightened anxiety, relationship strain, and a loss of purpose, particularly during periods of prolonged uncertainty. Access to counselling and mental health supports was inconsistent, and in some cases disappeared when extended health benefits ended. At the community level, mine closures contributed to population loss, declining school enrolment, and reduced local services, impacts that individual-level transition programs did not fully mitigate.

Timelines and advance notice were critical to successful transitions

Participants repeatedly stated that longer notice periods made transitions more manageable by allowing time for planning, retraining, or retirement decisions. The Alberta coal phase-out benefitted from a relatively long policy runway compared to previous Canadian industry closures, yet many workers still felt that supports arrived late or were introduced reactively. These findings reinforce the importance of legislated advance notice and early activation of transition supports to maximize worker agency and minimize disruption.

★ Why It Matters

This project has direct implications for how governments, employers, unions, and communities design and deliver workforce transition supports in the context of climate policy, economic restructuring, and global energy market shifts. The Alberta coal phase-out offers a real-world test of a transition program in Canada, and the lived experiences of affected workers provide rare and valuable evidence about what works, what falls short, and what must change as similar transitions accelerate across other high-carbon sectors.

For current practice, the findings underscore that workforce transitions cannot be treated as administrative add-ons to industrial closures or climate policy. Workers affected by the coal phase-out faced not only job loss but disruptions to income security, health benefits, pensions, housing stability, and community cohesion. While the Alberta Coal Workforce Transition Program offered important supports, particularly bridge-to-retirement provisions, it also revealed gaps in communication, coordination, and tailoring across age groups and household circumstances. These findings suggest that transition programs must be designed as integrated social and labour market interventions, rather than narrowly defined retraining or income-support mechanisms.



State of Skills: Quality of Work

As Canada navigates continuing labour shortages in critical areas of the economy, policymakers and employers are looking for more effective approaches to recruit and retain workers.

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At a policy level, the research demonstrates that advance notice, worker agency, and accessible, human-centred delivery mechanisms are decisive factors in determining transition outcomes. Longer transition timelines enabled some workers to plan retirements or reposition themselves voluntarily, while mid-career workers experienced heightened vulnerability when options were poorly aligned with their stage of life. The absence of dedicated, permanent centres and consistent case-management meant that many workers struggled to understand program rules, taxation implications, and long-term consequences of their choices. These challenges reduced the effectiveness of otherwise substantial public investments and generated stress, mistrust, and financial hardship.

The implications extend well beyond coal. Canada is already experiencing employment volatility driven by automation, global competition, technological change, and trade disruptions, including tariff-related shocks in manufacturing and resource sectors. As the transition to a low-carbon economy accelerates, similar closures and restructurings are expected across oil and gas, emissions-intensive manufacturing, and related supply chains. Without robust, scalable transition frameworks, future workers are likely to face the same uncertainty and uneven outcomes documented in this study. The research therefore contributes urgently needed evidence to the debate about how Canada funds, governs, and evaluates workforce adjustment policies.

This project provides concrete evidence that proactive transition approaches, such as early notice, bridge-to-retirement pathways, and locally embedded support centres, are effective at helping communities and regions navigate low-carbon transitions with reduced disruption. Second, it highlights that meaningful worker agency is not symbolic but structural: workers and unions played a decisive role in shaping Alberta's transition supports, and where peer-led or community-based institutions were present, outcomes and satisfaction were measurably stronger. Third, the findings demonstrate that skills-related measures alone are insufficient unless paired with income supports, living-expense coverage, and flexibility across institutions and geographies, particularly for mid-career and older workers.

From a broader systems perspective, the study reinforces that transitions are not only a matter of fairness, but of economic efficiency and policy credibility. Poorly designed transitions risk slowing climate action, deepening regional inequality, and eroding public trust in government-led transformation. Conversely, well-designed programs that respect worker knowledge, provide clear pathways, and address mental health and community impacts can accelerate change while maintaining social cohesion.

For provincial and federal governments, this research offers actionable guidance for future transitions: embed worker supports as a precondition for public funding, legislate advance notice and adjustment planning, invest in permanent transition infrastructure, and evaluate programs using worker-centred outcomes rather than administrative uptake alone.

What's Next

The next phase of this work focuses on extending the reach and impact of the findings. A peer-reviewed academic journal article will be developed to disseminate the research results to a wider national and international audience, including policymakers, labour researchers, and institutions. Publishing the findings in an academic venue will help ensure that worker-centred evidence from the Alberta coal phase-out informs future transition policy design and contributes to the global literature on workforce adjustment in the context of climate change.

In parallel, related work has already been undertaken outside the scope of this project to document the role of the Alberta Federation of Labour in shaping the coal transition process. This work captures how organized labour engaged with the Alberta government to advocate for worker protections, influence program design, and ensure that transition supports addressed the needs of affected workers and communities.

Future opportunities include using the findings to inform policy discussions at the provincial and federal levels, supporting the development of transition frameworks for other high-carbon sectors, and contributing to comparative research on workforce transitions in other jurisdictions.

Have questions about our work? Do you need access to a report in English or French? Please contact communications@fsc-ccf.ca.

How to Cite This Report

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