



ADVANCED CONTRACT AWARD NOTICE (ACAN)

1. Advanced Contract Award Notice (ACAN)

An ACAN is a public notice indicating to the supplier community that a department or agency intends to award a contract for goods, services or construction to a pre-identified supplier, thereby allowing other suppliers to signal their interest in bidding, by submitting a statement of capabilities. If no supplier submits a statement of capabilities that meets the requirements set out in the ACAN, on or before the closing date stated in the ACAN, the contracting officer may then proceed with the award to the pre-identified supplier.

2. Definition of Requirement

The Department of Natural Resources Canada (NRCan) has a requirement to upgrade the baseline Gross Domestic Product (GDP) and employment grown to 2040 for the three natural resources sector in light of the pandemic and other economic shocks that occurred between 2018 and March 2020 (e.g. forest sector closures).

2.1 Background

The COVID-19 pandemic had a sudden and immediate economic impact on business operations across Canada. As a result, Canada's natural resource sectors experienced demand contraction, employment loss, liquidity crunch, in particular for Small and Medium Enterprises (SME), and supply chain disruptions. These impacts are expected to have implications for future economic growth and employment.

The COVID-19 pandemic has also had an impact on business operations. Health and safety concerns along with the shift to remote working and physical distancing requirements accelerated the adoption of digital technologies in many businesses, as noted by a McKinsey report entitled "The COVID-19 recovery will be digital: A plan for the first 90 days". The pandemic period has also had a significant economic impact on natural resource sectors. In recent years, digital adoption was expected to be the main trend defining the future of work in Canada's natural resource sectors. Occupations and tasks in the natural resources sector were already anticipated to have a high potential for automation. A study on the "Implications of Disruptive Technologies for the Natural Resources Workforce" prepared for NRCan by the Conference Board of Canada in 2018 examined the opportunity for digital adoption in Canada's natural resources sector and evaluated the productivity, competitiveness, and labour market impacts, including opportunities and risks for inclusive growth. Further study is merited to better understand the impact of the pandemic on the pace, scope, value, and impact of digital adoption in Canada's natural resource sector.

This study will examine the impact of economic recovery and digital transformation on growth and employment in Canada's natural resource sector to inform NRCan's understanding of post-pandemic labour market needs and propose strategies to support inclusive growth.

2.2 Objectives

The objective of this study is to:

- 1) **update the baseline GDP and employment growth to 2040 for the three natural resources sectors in light of the pandemic and other economic shocks** that occurred between 2018 and March 2020 (e.g., forest sector closures); and,



- 2) **provide sector specific scenarios on the impact of the pandemic period on digitization/automation** drawing on existing labour market studies and data giving insight to:
 - a. **Pace** of digital adoption;
 - b. **Scope** of technologies being adopted and industry uptake;
 - c. **Value** of investing in digitization in the wake of the pandemic period in terms of productivity and competitiveness; and,
 - d. **Impacts on the labour market**, in particular demand for skilled workers, training requirements, regional impacts, opportunities/risks for inclusive growth.

- 3) **outline employment implications and mitigation strategies aimed at addressing emerging labour market challenges.**

2.3 *Tasks, Deliverables, Milestones and Schedule*

The study will examine the impact of COVID-19, and the steps taken for post-pandemic recovery, on the adoption of digital technology, and the implications for the labour market, productivity and competitiveness in Canada's natural resources sector (energy, mining, and forest).

For the purposes of this report, Canada's natural resource industries will be defined as follows:

- **Energy:** oil and gas extraction (NAICS 2111); supporting activities for oil and gas extraction (NAICS 213); electricity generation, transportation and distribution (NAICS 2211); natural gas distribution (NAICS 2212); petroleum and coal manufacturing (NAICS 324); pipeline transportation (NAICS 486).
- **Minerals and metals:** mining (NAICS 212); non-metallic mineral product manufacturing (NAICS 327); primary metal manufacturing (NAICS 331); fabricated metal product manufacturing (NAICS 332).
- **Forest products:** forestry and logging (NAICS 113); support activities for forestry and logging (NAICS 1153); wood product manufacturing (NAICS 321); paper manufacturing (NAICS 322).

Recent studies should be considered when application; however, it is not necessary to repeat the 2018 literature review. Focus should be on updating:

- baseline scenario description and reporting on model results;
- change in assessment of potential for most disruptive technologies since 2018 report (UAV, IOT and automated vehicles, other)
- disruptive technology scenario description and reporting on model results.

Task #1: Update the baseline GDP and employment growth to 2040 for the three natural resources sectors

The update will reflect the impact of societal changes resulting from the pandemic situation and other economic shocks including reduced Refined Petroleum Product use and change in household energy use patterns due to increased use of telecommuting/remote work, changes in media consumption from paper to digital forms, etc.

1 The North American Industry Classification System (NAICS) provides common definitions of the industrial structure for Canada, Mexico, and the U.S. It is based on product-oriented principles. Definitions for these codes can be found at: <http://www23.statcan.gc.ca/imdb/p3VD.pl?Function=getVD&TVD=307532>



Forecasted raw impact on baseline GDP and employment growth is to be identified relative to 2018 results. Wherever possible, forecasted raw employment impact is to be disaggregated by:

- province/region;
- gender;
- Indigenous identity;
- immigration status (including temporary foreign workers);
- age;
- highest educational attainment;
- occupation.

Task #2: Sector specific scenarios on the impact of the pandemic period on digitization/automation

Using the baseline established in Task #1 overlay the impact of digital technology adoption on employment within that sector, identifying the most impactful disruptive technologies. Wherever possible, forecasted employment impacts due to technological change are to be disaggregated by:

- province/region;
- gender;
- Indigenous identity;
- immigration status (including temporary foreign workers);
- age;
- highest educational attainment;
- occupation.

Results should be provided in data tables (i.e., using numbers rather than shares or percentages whenever possible).

Task #3: Employment implications and mitigation strategies

Identify employment implications for Canada’s natural resource sectors based on the economic impact of the COVID-19 period and the rate/scope of digital adoption.

Propose policy recommendations in response to the employment implications identified, this may include tax credits or incentives, wage subsidies, skills training, financial vehicles, and transitions to growth occupations.

Deliverable	Description	Timeline
Activity 1	Project Kick-Off Meeting	Week 1
Activity 2	Project Outline	Week 1
Activity 3 (Task 1)	Update the baseline GDP and employment grown	Week 2 – 3
Activity 4 (Task 2)	Sector-specific scenarios	Week 2 - 4
Activity 5 (Task 3)	Employment implications and mitigation strategies	Week 4 – 5
Activity 6	Draft Reports	Week 5 – 7
Activity 7	Finalize Report and Executive Summary	Week 8



3. Criteria for Assessment of the Statement of Capabilities (Minimum Essential Requirements)

Any interested Supplier must demonstrate by way of a Statement of Capabilities that it meets the following requirements:

- Must have experience and qualifications assessing the impact of digitization / automation on economic sectors, particularly those in Canada's natural resource sectors (mining, forest, energy)
- Must have extensive experience in, and strong knowledge and capacity to complete research, analysis and recommendations (qualitative and quantitative) on a wide number of economic sectors (including labour market analysis) for the Government of Canada
- Must own the intellectual property to the unique proprietary Industrial Input/Output (I/O) model to qualify labour market projections;
- Must be able (skills, knowledge, experience) to complete research, analysis and policy recommendations that build on the 2018 report "Implications of Disruptive Technologies for the Natural Resources workplace";
- Must be able to complete the work within eight (8) weeks timeframe from award of contract;

4. Applicability of the Trade Agreement(s) to the Procurement

This requirement is not subject to any Trade Agreements.

5. Justification for the Pre-Identified Supplier

The supplier mentioned in Section 10 below is the only known supplier that meets the mandatory criteria set out in Section 3 above.

Should Canada receive a Statement of Capabilities from a supplier that contains sufficient information to indicate it meets the requirements set forth in this ACAN, a competitive process will be triggered with a technical and financial evaluation methodology of the bids proposed by the potential bidders.

6. Government Contracts Regulations Exception(s)

The following exception(s) to the [Government Contracts Regulations \(GCRs\)](#) is invoked for this procurement under subsection 6 (d) – only one person/firm is capable of performing the work.

The identified supplier, The Conference Board of Canada is the only one able to meet all of the criteria identified in Section 3 above.

7. Ownership of Intellectual Property

Ownership of any Foreground Intellectual Property arising out of the proposed contract will vest in the Crown.

8. Period of the Proposed Contract

The contract shall be for a period of eight (8) weeks from date of award until November 30, 2020.



9. Cost Estimate of the Proposed Contract

The estimated value of the contract is \$85,100.00 (HST exempt).

10. Name and Address of the Pre-Identified Supplier

The Conference Board of Canada
255 Smyth Road
Ottawa, Ontario
K1H 8M7

11. Suppliers' Right to Submit a Statement of Capabilities

Suppliers who consider themselves fully qualified and available to provide the goods, services or construction services described in the ACAN may submit a statement of capabilities in writing to the contact person identified in this notice on or before the closing date of this notice. The statement of capabilities must clearly demonstrate how the supplier meets the advertised requirements.

12. Closing Date for a Submission of Statement of Capabilities

The closing date and time for accepting Statements of Capabilities is September 18, 2020 at 2:00 p.m. EDT.

13. Inquiries and Submission of Statement of Capabilities

Inquiries and Statements of Capabilities are to be directed to:

Valerie Holmes

Procurement Specialist

Tel: 613-864-8017

Email: valerie.holmes@canada.ca