



European Trade Union Confederation (ETUC)
Confédération européenne des syndicats (CES)

ILO conference green jobs - Niigata
Sophie Dupressoir

The European Trade Union Confederation is the only trade union organisation recognised by the European Union treaty. We have as members 35 national trade union confederations, 12 industry federations. ETUC represents a total of 60 millions workers.

Since the Rio conference, workers and trade unions are recognised by agenda 21 as one of the nine major groups of civil society. Since last year, trade unions are also recognised as a major group in the UNFCCC.

More and more, trade unions are convinced that the failure to address environmental threats may have huge social costs that will exacerbate existing inequalities, also in the developed countries. Policy responses need to deliver major transitions and reform strategies at all levels of governance.

These policy responses touch on fundamental concerns of European trade unions: ensuring access for all to basic resources, whether it be decent work or natural resources; preventing risks to the working environment and the related natural environment; enhancing democracy and equity.

There is plenty of evidence that environmental protection creates jobs in Europe.

A recent study by the European Commission estimates that 4.4 million people are employed in the eco-industries (largely pollution prevention or treatment) and the activities that are closely dependent on a good quality environment (environment-related tourism, sustainable forestry, organic agriculture, renewable energy etc). This is more than 3% of total employment¹.

As far as the quality of those jobs is concerned, we must admit that our knowledge is limited. There is a general perception among the trade unions that the new sectors, for instance renewable energy, are less paid and less secured than jobs in traditional sectors. However, a recent study carried out

¹ Renewable energy jobs in Germany shot up to 249,300 in 2007, almost double the 160,500 green jobs in Germany in 2004. According to revised government figures, as many as 400,000 people could be employed in the renewable energy industry in Germany by 2020.

by our Spanish colleagues shows that permanent employment contracts and highly qualified personnel predominate in this sector

But we need to go beyond this static picture and to look also at the potentially 'losing' sectors. We are just at the beginning of a fundamental transformation of our economies. If developed countries manage to cut their greenhouse gas emissions by 40% by 2020, as recommended by the IPCC, it is likely to lead to major changes in living and working conditions, requiring, not least, accelerated job changes.

What have we learned from a study ETUC has carried out on "employment and climate change".

1. Almost all traditional sectors will be impacted by the transition to a low carbon economy, whether it is positively or negatively: construction, heavy industry, energy production, but also insurance, tourism, agriculture, etc.
2. Provided climate policy are well designed, overall employment will not be affected, as activities based on fossil fuel are very capital intensive will be replaced by more labour intensive activities such as renewable energy, construction, public transport.
3. Substitution effects that will occur both between sectors and within sectors. For instance, an ambitious energy efficiency policy will tend to *reduce* employment in the energy generation activities, while creating new job opportunities in other economic sectors, such as construction, energy management services, consultancies for energy auditing, electric equipment manufacturers.
4. The magnitude of employment changes will depend on the nature of innovation: incremental or major innovations, breakthrough innovations.
5. Jobs in the winning sectors and jobs in the losing sectors are not fully substitutable, in location, skills and time. However, we know by past experience that workers' redeployment can be done with a limited amount of investment from fossil fuel based activities to cleaner activities provided this is in the same sector– for instance truck drivers to tram drivers.
6. We should not overlook the extent to which employment in some sectors – notably energy intensive industries such as steel production – are likely to be affected negatively, especially if climate policy does not apply to all countries in a similar way.

This requires a new social agenda to:

- identify the job and skills needs : policy makers should conduct "foresight exercises" in order to identify early enough the jobs and skill needs and gaps

associated with the move towards a low carbon economy. Such exercises should involve the social partners.

- Improve 'human capital': new technologies require new skills. Winning sectors must be made attractive to workers in terms of working conditions and wage.
- assist workers to adapt to change, with measures including support for provision of alternative employment and income protection for displaced workers;
- social dialogue between social partners (employers and employees representatives) and a meaningful involvement of employees in company's decision making process are key necessities during industrial changes.

Several countries or companies have successfully implemented such instruments : in Spain, we have a tripartite social dialogue round table where trade unions, employers and ministries work together to identify and minimise the economic and social impact of the Kyoto protocol. One point must be underscored here: the need for social dialogue at trans-sectoral level.

In the Netherlands and Germany, works councils have been given the right to information and consultation and the right of initiative in environmental matters.

A good example is the promotion of energy efficiency improvements through worker involvement. Many projects across the EU, involving workers and their representatives, have successfully implemented energy conservation measures.

One excellent example of this approach took place in Aughinish Alumina Ltd, Ireland.² This energy intensive 435 employee aluminium smelting plant was losing \$1 million a week in the early 1990s and needed to reduce its energy inputs by improving efficiency and re-organise its production methods. Through a social partnership approach management and the three unions at the plant (TEEU, SIPTU, AMICUS) built a team-working approach which led to the plant becoming one of the most efficient in the highly competitive global aluminium smelting market. Faced with rising fuel prices, it was necessary for the combined heat and power 100 MW gas plant was used most effectively, with surplus electricity sold to the national grid.

Finally, we should not forget that the green jobs agenda needs a global approach. We are aware that Europe's move towards a cleaner industrial basis has been often based on the export of the pollution and the related risks to less developed countries where environmental and health and safety

² Erling Rasmussen, ed, "International Experiences of Partnership", Research paper for the Partnership Resource Centre, New Zealand Department of Labour, 2006

standards are less stringent. There is a need to: a) reinforce labour and H&S fundamental rights worldwide, b) to work along the whole supply chain with MNEs to make sure that multinational enterprises apply the same standards in Europe and in the producing countries. Here the trade unions have a significant role to play via the European works councils or the global works councils and the International Framework Agreements³ between companies and trade unions (42 today, out of which 20 have environmental provisions) are innovative tool to promote sustainable performance of MNCs. ; c) finally we need to share our technology with others. EU citizens can afford to pay € 0.5 per month to subsidise the renewable energy sector, but people in developing countries have difficulties doing so. We have to make sure that the necessary technology transfer occurs. And the issue of intellectual property must be addressed properly.

Conclusion: preparing workers for the changes that the low carbon economy creates is a major task for governments, for the unions, and for industries. Unions and employers need to move from a defensive version of restructuring operations (traditional industries facing competition from newcomers) towards an offensive vision (preparing for the future). The watchwords are: anticipation, adaptation, investment and the organisation of solidarities.

³ the International Framework Agreements can be an innovative and interesting tool. They share the role of improving business performance and contribution to sustainable development in a voluntary basis but from an angle of social dialogue and quality of industrial relations.

International Framework Agreements are a formal recognition of social partnership at the global level, therefore qualitatively different to companies' own internal codes of conduct. They reflect a commitment to observe the international labour standards. In principle, the employers who sign up are demonstrating that they favour good industrial relations at the workplace, feel responsible for the whole supply chain and are open-minded about trade union activities³.