Towards a fair green transition: Implications for employment relations and working conditions

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Jobs in the green transition

**Actual 2011-19**

**Projected 2019-30**

- **Low-paid**
  - Reference: X millions
  - Fit-for-55: X millions

- **Mid-paid**
  - Reference: X millions
  - Fit-for-55: X millions

- **High-paid**
  - Reference: X millions
  - Fit-for-55: X millions

*Source: Eurofound, 2023 forthcoming based on Fragkiadakis et al, 2022*
Projected employment difference in EU27 by job-wage quintile
Comparing the reference scenario and the Fit-for-55 scenario (2030)

Source: Eurofound, 2023 forthcoming based on Fragkiadakis et al, 2022
Working conditions and job quality in the green transition
Green occupations according to O*NET

- **New and Emerging**
  - Created to meet the new needs of the green economy

- **Enhanced Skills**
  - Existing jobs that require changes in tasks, skills and knowledge as result of greening

- **Increased Demand**
  - Existing jobs expected to be in high demand; do not require changes in tasks, skills or knowledge
Greening occupations - Jobs likely impacted by the transition

- **Increased demand (15%)**
  - Examples: Carpenters, Welders, Insulation workers, Electrical mechanics and fitters

- **Enhanced skills (14%)**
  - Examples: Construction managers, Electrical engineering technicians, Meteorologists

- **Small or no greening impact (62%)**

- **New & emergent (9%)**
  - Examples: Civil engineers, Policy/planning managers, Research and development managers

*Source: EWCTS, 2021.*
Greening by sectors

Agriculture
Construction
Transportation and storage
Industry
Commerce and hospitality
Public administration
Financial services
Other services
Education
Health

- New & emergent
- Enhanced skills
- Increased demand
- Small or no greening impact

Source: EWCTS, 2021
Climate change impacting quality of jobs

- Climate change impact on job quality depends on many factors including the type of occupations and sectors, the territories in which jobs are performed.
- Potential increase in psychosocial risks (job and work insecurity, risks linked to restructuring)
- Exposure to climate hazards increase exposure to physical risks: increased ambient temperature, air pollution, ultraviolet radiation exposure, extreme weather events,…
- Some changes linked to decarbonisation can support improvement of job quality (performing meaningful work, on the job learning, )
- Recent evidence: rising temperatures posing serious risks to workers’ health

The job quality side of climate change. Eurofound 2024 (forthcoming)
Is telework really a ‘green’ choice?

- Individual and company decisions positively or negatively influence the level of GHG emissions generated.

- **Remote work is** a greener option if supported by specific measures:
  - Enabling employees who have to commute long distances by car to telework
  - Expanding the infrastructure facilitating remote working
  - Promoting flexible space use in offices to avoid heating, cooling or lighting unused or sparsely used areas
  - Continue supporting improvements to the energy efficiency of buildings,

- ‘Teleworkable’ jobs tend to be more common in cities.

- Depending on the factors considered (frequency, distance, emissions intensity, etc…) various combinations yield different environmental dividends.
Social dialogue and collective bargaining during the green transition
Role of social partners supporting regions in the Just Transition plans

• Emphasis on consultation with peak-level and sectoral organisations in the design phase of the JTPs: Regional or local level are much less involved

• Social partners have provided vital input to the TJTPs, focusing primarily on employment, mobility, job quality, investments in reskilling and upskilling, and regional development issues

• Social dialogue and collective bargaining on just transition topics have taken place but are not widespread:
  – Sectoral collective agreements only in five MS; most identified agreed at company level,
  – Main focus on reskilling and upskilling and monitoring of changes triggered by the twin transition.
  – Some company agreements include social clauses on restructuring linked to the green transition.

• Overall, social partners are supportive of the EU’s climate neutrality objectives. However, in countries with weak social dialogue structures lack the capacity to meaningfully engage in the policy process

Source: Supporting regions in the just transition: Role of social partners. Eurofound, 2023
Just transition: policy actors’ roles, opportunities, challenges. Eurofound 2024 (forthcoming)
EU PolicyWatch: Role of trade unions and employers in adoption of policies linked to green transition, 2022-2023

Percentage divided by category. Policy measures started from 1st January 2022 until now

- Ensuring business continuity and support for essential services
- Promoting the economic, labour market and social recovery
- Reorientation of business activities
- Supporting businesses to stay afloat
- Measures to prevent social hardship
- Protection of workers, adaptation of workplace
- Responses to inflation

Agreed (outcome) incl. social partner initiative
Consulted
Informed
No involvement
No involvement as case not in social partner domain
Unknown

Policy measures included:
- Ensuring business continuity and support for essential services
- Promoting the economic, labour market and social recovery
- Reorientation of business activities
- Supporting businesses to stay afloat
- Measures to prevent social hardship
- Protection of workers, adaptation of workplace
- Responses to inflation
Involvement of social partners in the implementation of green policy measures (Recovery and Resilience Plans 2022-2023)

Source: Involvement of social partners in the context of the EU semester, Eurofound, forthcoming 2024
Bipartite social dialogue and collective bargaining

• So far, there is a growing awareness of environmental aims in EU sectoral social dialogue, although still room for development

• More developments at national sectoral level (along with another tripartite initiatives)

• Limited inclusion of environmental issues in (green?) collective bargaining
  – French legislation to promote collective bargaining on environmental issues
  – Still few but innovative initiatives in collective agreements at company level with interesting examples (mostly in the energy sector)
  – Main focus: strengthening governance in the implementation of the twin transition and reskilling programmes
Embracing the green transition, but large inequalities persist

- Three levels of analysis: Headline-level indicators, residential-level indicators and household-level indicators

- People living in some southern and eastern Member States are more likely to report sub-standard living conditions

- However, improved performance in residential-level indicators – e.g. measuring pollution, recycling and use of public transport, – overall shows local neighbourhoods are becoming more liveable

- Disparities between Member States have lessened, and performance has improved in many pollution-related environmental indicators

- Interventions should focus on housing quality; energy poverty; and public transport

- Residential- and household-level environmental goals may need more stringent or timely policy measures.

*Eurofound-EEA report: Green, clean and keen to converge? A convergence analysis of environmental quality of life in the EU*
Green transition: Impact on EU employment relations

• **Green transition requires systemic change** across different domains and scales to enable action:
  – The contribution from employment and labour institutions, social partners and stakeholders to support structural changes
  – Aiming for win-win social-climate mitigation policies
  – Coordinating different governance levels and policy areas
  – Above all, change in priorities, attitudes and values required

• However, **early stages** in “green change” in EU employment relations

• Time is ticking … and running out..
Thank you!