

POLICY PAPER

NO ENERGY UNION WITHOUT SKILLED AND EMPOWERED WORKERS: CREATING A JUST TRANSITION WITHIN THE EU ENERGY UNION



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1. Integrating a social dimension into the Energy Union

It is crucial that the Commission ensure that the social dimension of Europe's energy policies becomes a deep-rooted component of the proposed Energy Union, including enhanced social dialogue and policies to support the workforce in energy and related industrial sectors.

Since the Cancun United Nations Framework Convention on Climate Change (UNFCCC) Conference in 2010, the EU and its member states have signed up a commitment to ensure that climate and energy policies guarantee a *"just transition of the workforce, and the creation of decent work and quality jobs"*.¹ At international level, a number of expert workshops have taken place within the UNFCCC and International Labour Organisation (ILO) on how this commitment could be operationalised.

On the 2 July 2014, the European Commission adopted a Communication attempting to outline the employment challenges and opportunities of the current transition towards a green, energy and resource-efficient economy.² The Green Employment Initiative Communication presented some proposals to build an integrated European framework to allow labour market and skill policies to play an active role to support this transition. The Communication focuses on the importance of anticipating and establishing adequate skills policies to support workers in coping with structural change, of securing labour market transitions, and of strengthening governance and partnership-based initiatives.

This Communication is a first step in the right direction but requires concrete and ambitious follow-up measures with a precise agenda. This paper builds on this Commission initiative and sets out proposals for the new Commission to enact in the development of the EU's Energy Union to ensure this crucial Just Transition.

2. What are the foundations for a Just Transition?

a. Participation

The scale of changes necessary to build a true Energy Union between the EU member states, based on solidarity, large-scale energy efficiency and energy transition by 2050, demands strong

¹ Report of the Conference of the Parties on its sixteenth session, held in Cancun from 29 November to 10 December 2010,

<http://unfccc.int/resource/docs/2010/cop16/eng/07a01.pdf#page=2>

² Green Employment Initiative: Tapping into the job creation potential of the green economy, COM (2014) 446 of 2 July 2014, <http://ec.europa.eu/transparency/regdoc/rep/1/2014/EN/1-2014-446-EN-F1-1.Pdf>

engagement from all parts of European society. Social dialogue, negotiation, participation and rights at work are the fundamental values and tools which underpin and reconcile the promotion of social cohesion, quality employment and job creation and increased innovation and competitiveness in European economies. It is only through consistent and stronger worker participation that change can be managed in a socially acceptable manner, trust is nurtured and anticipation policies can develop.

b. Job creation and maintenance

As is clear from the current employment situation, Europe urgently needs to create significant numbers of new jobs in sustainable companies and sectors. Green and decent jobs can be created through targeted and quality domestic investment in new technologies, through R&D and innovation, and technology transfer. This spans all sectors and industries covering all workers. On the one hand, it involves the creation of jobs in new and emerging sectors, such as energy efficiency, renewable energy, waste management and environmental protection services, following new business models such as energy services companies (ESCOs). On the other hand, it involves the transformation and creation of jobs in existing sectors as they become “greener”. The Commission should ensure that the quality as well as the quantity of jobs are assessed – jobs must be at least in line with ILO standards on decent work. Finally, these new job opportunities linked to the energy transition should be duly promoted in primary, secondary and higher education curricula and valued to the eyes of the pupils/students through strong and objective messages and in partnership with companies.

c. Ensuring the greening of training, education and skills

Government-led, active education/training and skills strategies are fundamental in the transition to a sustainable, resource-efficient economy, as recognised by the Commission’s proposals. Equal access to continuing education and training is essential to respond to citizens’ changing circumstances and aspirations on the one hand and the needs of the labour market on the other. All workers should have equal access to education and training at all levels, regardless of their age, gender, employment status, or nationality. While groups with low participation levels, such as the low-skilled, older workers and workers on temporary or part-time contracts, so be provided with ample opportunities to acquire, update and develop their knowledge, skills and competences throughout their lifetime (e.g. through individual training plans and learning accounts). Training of the unemployed must also be a priority. Better trained job-seekers in the building sector for instance are likely to reintegrate into the labour market earlier if they are properly trained in new green technologies and processes.

d. Trade union rights

Respect for labour rights and other human rights is essential to ensure a Just Transition within Europe and globally. Therefore, the Commission must ensure that democratic decision-making and respect for human and labour rights are guaranteed in order to ensure the fair representation of workers’ and communities’ interests at the national level.

e. Social protection

Public policy must also provide a safety net through active labour market policies, strong social protection and support measures. Workers who change jobs should be protected and benefit from proper social security rights during work, training time and between jobs.

3. What is already happening and could be effectively shared?

1. At the EU Level

- a. Interprofessional – there is a clear need for a high level social dialogue forum for information & consultation, the exchange of best practice and negotiation between social partners and public authorities. In recent years, the interprofessional social partners have undertaken joint studies on national good practice. In May 2011, the Commission organised a high level dialogue on energy and climate policies –

unfortunately there was no follow-up on the action points from the Commission and no subsequent meetings. This initiative should be revisited.

- b. Sectoral – there have been joint studies and positions from the sectoral social dialogue. In the process of strengthening social dialogue, there is scope for a structured dialogue with European Construction Industry Federation / European Federation of Building and Woodworkers (FIEC/EFBWW) on the challenges faced by the building sector in energy efficiency programmes, the European Federation of Public Service Unions (EPSU)-IndustriAll/Eurelectric/Eurogas have also undertaken large scale initiatives on the employment consequences of EU energy and climate objectives in the gas/electricity sectors.
- c. European Works' Councils – a number of multinational companies' EWCs have addressed the employment and skills demands of sectoral and market shifts (e.g. Schneider Electric has negotiated European Framework Agreements on the anticipation of change).
- d. A number of projects under the former Intelligent Energy Europe scheme (such as the "Build Up Skills" project), have addressed the issue of providing training to workers to green jobs. This led to national roadmaps to up-skill the qualifications of craftsmen, workers and system installers in member states.³ This should be continued and enlarged to include other relevant jobholders such as engineers and architects.

2. At the National Level

- a. National social dialogue forums should also be encouraged. These exist in some Member States and good practices should be better shared and promoted in the Energy Union initiatives. The German Alliance for Jobs and Environment has played a key role since 1998 in promoting energy efficiency programmes in the government policies. In 2011 the United Kingdom, the Government established a high level, tripartite Green Economy Council, which has oversight on proposals for a "Green economy roadmap", a "low-carbon skills strategy" and other initiatives. The 20-member council, aims to act as "the leading engagement mechanism for development of new green growth policies ... [and] advise on issues for business around green and climate change policies". It includes an "Energy Intensive Task Group", a "Task Group for a Low Carbon, Resource Efficient Economy" and a review of the government's ten industrial sector strategies from a sustainability perspective.
- b. In 2012, the Commission supported a pilot project to support the development of "Greenworkplaces". This was modelled on best practice in a number of countries where union representatives worked with local management to ensure effective energy and resource efficiency projects. Unfortunately, the larger scale proposal for national programmes in 6 countries was not successful in the Intelligent Energy Europe calls. Considering the important role of workplaces in energy consumption, targeted support for joint worker-employer initiatives should be considered.
- c. Sectoral roadmaps on employment and skills for energy intensive industries are of crucial importance: in Germany, the purpose of the "Network Resource Efficiency" is to put in place action plans to develop resource efficiency in the industrial energy-intensive sectors (energy and raw materials) and thereby to contribute towards the greening of industry. They include the aspects linked to the needs for skills and vocational education/training. Under this initiative, the German Union of Workers (DGB) and its member organisations, in cooperation with the Environment Ministry (BMU), launched and carried out some programmes to train members of works councils and employees about resource efficiency, primarily in the aluminum industry, involving the trade union organisation IG Metall and the German association of aluminum producers GDA. The Environment Ministry (BMU) regularly

³ <http://www.buildupskills.eu/en>.

participates in the debates, whose main aim is to share good practices for the sake of improving energy efficiency in the aluminum industry, from production to recycling.

- d. Forums for the development of national and sectoral skills need to be created in a number of countries. The Commission should consider the need to strengthen initiatives around sectoral skills councils related to energy transition, notably in the construction, energy production and industrial sectors and related services. Good examples exist, as can be seen in Denmark, where *“the social partners participate in the Council of Vocational Education at national level, which devises the various vocational training programmes and approves the various types of certification, including the new so-called ‘green’ or ‘low- carbon’ industries where the social partners monitor the various climate-energy standards and legislative instruments. It also adapts the certification arrangements for vocational training in a way that is appropriate to these issues.”*⁴
- e. In Luxembourg, since 2002, the construction sector has been implementing an integrated strategy, aimed at increasing the sustainable competitiveness of the sector's industry. One of the strategy's main pillars is about training the workforce: training modules are delivered by an independent training centre financed by a mandatory contribution from companies in the sector. Other initiatives such as "Fit4Jobs" promote a faster reintegration of job seekers on the labour market through green training initiatives.

3. At the Local and Regional level

- a. In 2015, the ETUC launched a new project addressing the regional dimension of employment and skills planning in relation to the shift towards a sustainable energy system. The project focuses on 6 industrial regions, with an aim to bring together unions, employers and local authorities together to exchange good practice on strategic planning. This mirrors the Commission's priority to support reindustrialisation through the development of industrial clusters and the deployment of new industrial technologies.

4. Civil Society

- a. Workplaces are a key to achieving an energy and resource efficient energy union as they burn more energy, consume more resources, and generate more waste than domestic residences. Across the EU, trade unions have developed a common interest in tackling the challenge of climate in greenworkplace projects aimed at boosting energy efficiency and minimising resource usage. The ETUC produced a practical Guide, with advice on good practice in energy and resource use, monitoring and management, together with workplace training. It demonstrates ways for union representatives and Works Councillors to save energy from heating and light, travel, recycling and other initiatives. The Guide was produced with the support of funding from the European Commission for the ETUC's Green Workplaces Network.⁵
- b. Energy intensive industries form the bedrock of the UK manufacturing sector and are vital to our successful transition to an energy and resource efficient economy. In the UK, the TUC has worked with the Energy Intensives Users Group (EIUG), an industry body, to advise on policy options to help ensure their transition to a sustainable economy without suffering the jobs and investment penalties of carbon leakage.⁶

⁴ ETUC, BUSINESS EUROPE, UEAPME, CEEP (2011), Initiatives involving social partners in Europe on climate change policies and employment, Report by Syndex for the EU Social Partners

⁵ Guide to greening the workplace, ETUC, 2012
The union effect: greening the workplace, TUC, 2014.

⁶ Building our low carbon industries, TUC, 2013.

4. Recommendations for inclusion in the Commission's proposals

Overall we recommend that the Commission takes on board the following aspects to make the Just Transition a priority and establish a detailed agenda to move on these issues under the Energy Union:

- Tailored and improved access to funding streams for social partners on practical action to 'green the workplace' through joint energy efficiency projects – e.g. through specific criteria in IEE.
- Follow-up to the first high level social dialogue meeting on employment and climate (held on 13 May 2011), bringing together all relevant sections departments of the Commission.
- Equivalent tripartite bodies at national level, in all member states as a part of the National Energy Plans, as foreseen by the Commission.
- A legal framework in Europe on the anticipation and management of change as proposed by the European Parliament in the resolution of 15 January 2013 to the Commission on information and consultation of workers ([2012/2061\(INL\)](#)).
- Sectoral roadmaps in priority areas such as energy supply, energy intensive industries, road transport, construction and domestic energy efficiency, developed in conjunction with the sectoral social partners charting the route to 2050 objectives, with interim targets.
- Worker participation in EU R&D activities (e.g. board membership in European Technology Platforms, R&D PPPs, etc.).
- Extension of information and consultation rights to worker representatives to ensure rights related to environmental, sustainable mobility, energy and resource use in their workplaces - so-called 'Green Reps'.
- An individual European worker and job-seeker right to training. The promotion of sectoral training programmes and training accounts, closely involving the social partners, and common training modules related to green skills, plus better recognition of non-formal skills and measures to ensure the transfer of collective skills. An effective policy on vocational education and training, and public education policy demands appropriate funding.
- Fully implement the results of the "Build Up Skills" project across EU-28.
- Generalise green public procurements with proper technical assistance to help central and local governments with complex procuring procedures.
- An effective policy on vocational education and training, and public education policy demands appropriate funding. Hence the EU should make the best use of the upcoming European Fund for Strategic Investments (EFSI), in conjunction with the structural funds and possible national "fresh money" (such revenues from the Emissions Trading System) to finance all above-mentioned initiatives.

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