



Input of the International Trade Union Confederation (ITUC) to the report to the UN General Assembly on "just transition" - people in poverty and sustainable development

10 June 2020

The ITUC shares the objectives set forth by the Special Rapporteur for extreme poverty on *“how the human rights of people in poverty can be incorporated in the national plans aimed at putting the economy on a ‘greener’ path, mitigating climate change and preserving and enhancing biodiversity.”* The rapporteur asks for input on *“synergies and complementarities between social justice and environmental sustainability”*.

The link between social justice and environmental sustainability is very important for the international labour movement. Since the Rio+20 summit in 2012 the slogan “No Jobs on a Dead Planet” was launched to stress the importance of a healthy environment for the livelihoods of the people. The urgency to protect the environment has only increased in recent year. There is now broad awareness that far reaching measures are needed to protect our climate (reduce emissions to zero by 2050), nature and biodiversity. The union movement is convinced that we must move beyond measures that look for *“synergies and complementarities”* between social justice and environmental sustainability. In fact, delivering social justice in all its aspects will be a crucial requirement to deliver the environmental sustainability that is urgently needed.

Just Transition is the central policy instrument

The implementation of Just Transition policies that form part of a New Social Contract are central to this debate.¹ A new social contract is vital to set the world back on a sustainable and just path. The terms of this contract must include a labour protection floor for all workers with:

- fundamental rights;
- adequate minimum wage;
- maximum working hours; and

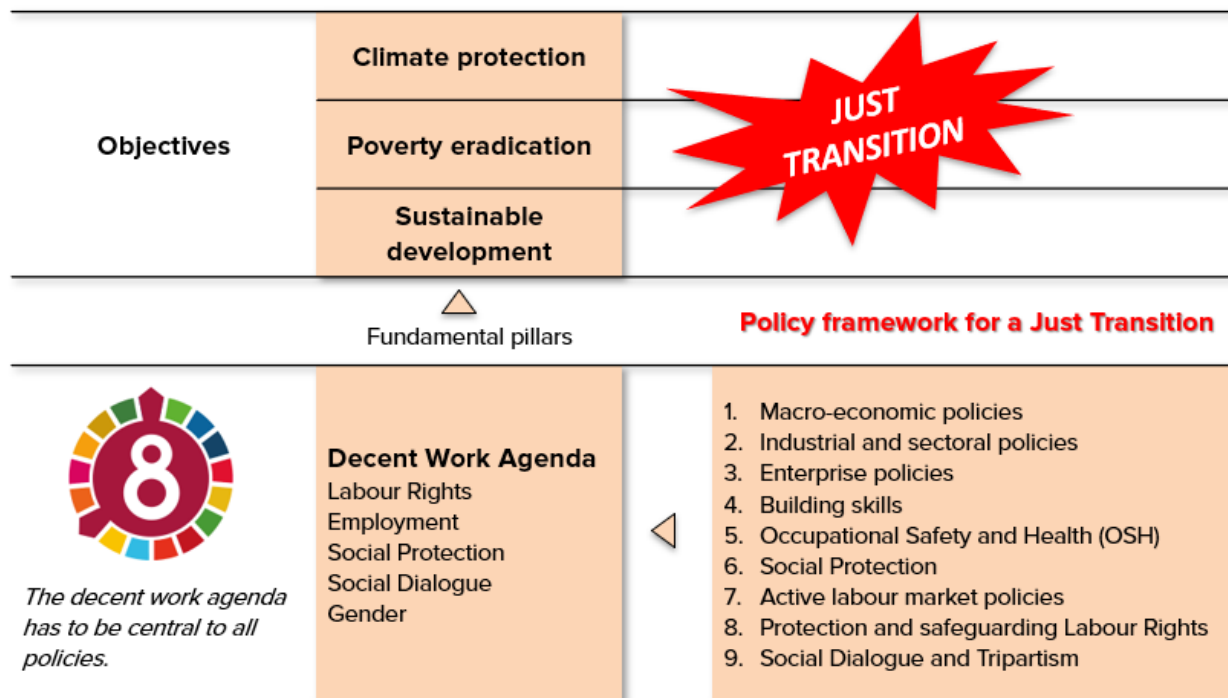
¹ <https://www.ituc-csi.org/global-shifts>
<https://medium.com/@SharanBurrow/a-new-social-contract-can-rebuild-our-workplaces-and-economies-after-covid-19-82b52e510ec3>

- health and safety.

Through legislative guarantee or collective bargaining, paid sick leave, carer’s leave and other entitlements should be guaranteed. Universal social protection, including income protection for periods of underemployment, is a societal guarantee for working families and the foundations of a more equal society and a secure economy. Just Transition measures for climate action and technological changes, and a transformative agenda for women’s economic participation, can ensure we leave no one behind.

“A **Just Transition** secures the future and livelihoods of workers and their communities in the transition to a low-carbon economy. It is based on **social dialogue** between workers and their unions, employers, government and communities. A plan for Just Transition provides and guarantees better and decent jobs, social protection, more training opportunities and greater job security for all workers affected by global warming and climate change policies.”²

Figure 1. The connection between Just Transition measures and the Decent Work Agenda



There is no unique recipe for all countries and regions!

The ILO ‘**Guidelines for a just transition towards environmentally sustainable economies and societies for all**’ are both a policy framework and a practical tool to help countries at all levels of development manage the transition to low-carbon economies

² <https://www.ituc-csi.org/IMG/pdf/sdit-final-en.pdf>

and can also help them achieve their Intended Nationally Determined Contributions (INDC) and the 2030 Sustainable Development Goals.³ They provide a menu of measures for governments, businesses, organised workers and civil society to implement Just transition policies and measures.

The Decent Work Agenda introduces the protection of fundamental labour rights

Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men. The ITUC is campaigning for this through its #Timefor8 campaign which places the Decent Work Agenda (SDG 8) at the core of the 2030 Agenda.⁴

In democratic countries, **social dialogue** (bipartite or tripartite dialogue between workers and employers' representative organisations and governments) is a basic tool for anticipating and **managing social conflict**. Its main objective is to promote the exchange of information and proposals to achieve a more or less explicit degree of consensus. As the ILO points out, social dialogue structures have allowed important economic and social issues to be resolved, have encouraged good governance, social progress, peace and stability, and have promoted economic development.⁵

For social dialogue to be effective, this requires a number of prerequisites:

- Full respect for freedom of association, in such a way that workers and employers may freely organise, defend their interests without external interference, and negotiate without pressure, between themselves and with the government, on matters of mutual interest.
- There must be strong, independent and representative trade union and employers' organisations.
- Sufficient political will and a sense of responsibility among all parties to engage in social dialogue
- An appropriate institutional structure is needed: one that has funding and well-defined legal mandates and that guarantees continuity in light of political changes.
- Access to adequate information and training so that the parties can exercise their right to participation in an effective way.

³ https://www.ilo.org/global/topics/green-jobs/publications/WCMS_432859/lang--en/index.htm

⁴ <https://timefor8.org/>

⁵ <https://www.ilo.org/public/spanish/dialogue/themes/sd.htm>

It is clear that these prerequisites depend on the labour relations that each country has practised throughout its history.

Social dialogue contributes to the implementation of many of the Sustainable Development Goals.⁶ The contribution of social dialogue to the 2030 Agenda by promoting a Just Transition towards sustainable economies and societies for all is explained and illustrated in a report from [TUDCN](https://www.ituc-csi.org/IMG/pdf/sdjt-final-en.pdf) that can be accessed through this link: <https://www.ituc-csi.org/IMG/pdf/sdjt-final-en.pdf>

Social protection and environmental sustainability

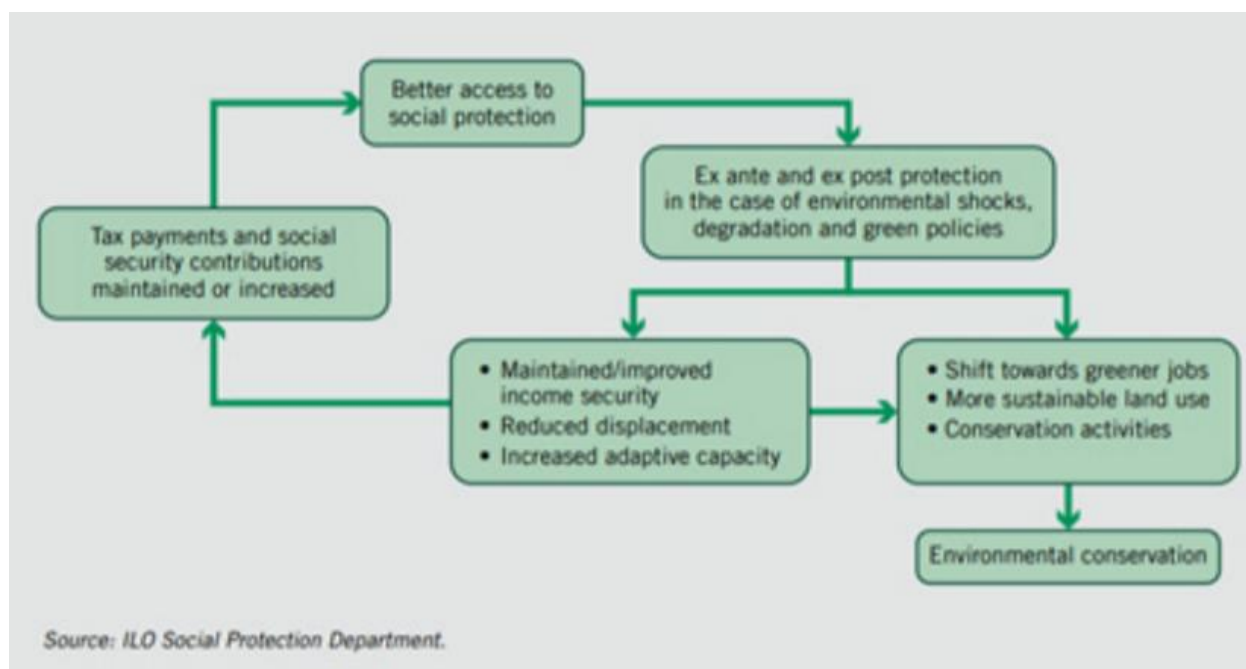
Environmental degradation, climate change and the policies intended to mitigate it have a significant impact on people's direct environments, lives, jobs, incomes and communities all across the globe. Low income people are especially at risk of being affected by the consequences of climate change, as they often live in the most threatened areas, however they are also the ones least able to protect themselves against these risks.⁷ Overall, it is estimated that over 100 million people could be pushed into extreme poverty as a result of climate change by 2030. A sound **social protection** scheme could reduce this number drastically to 20 million.⁸ Moreover, major industrial transformations occurring as a result of climate change policies, such as the phase-out of high-carbon industries, will leave many workers at risk of losing their jobs. Environmental and socio-economic risks are strongly interconnected, as the figure below shows; therefore, adequate universal social protection is an essential component of the just transition to a sustainable, zero-carbon economy.

⁶ http://www.ituc-csi.org/IMG/pdf/tudcn_issue_paper_-_social_dialogue_development_en.pdf

⁷ ILO (2016) https://www.ilo.org/global/topics/green-jobs/publications/WCMS_516936/lang--en/index.htm

⁸ World Bank Group (2016) <https://openknowledge.worldbank.org/bitstream/handle/10986/22787/9781464806735.pdf>

Figure 2. Socio-economic and environmental challenges are intricately linked⁹



The ITUC has the following demands regarding the role social protection can play to contribute to environmental sustainability:

- Governments should ensure adequate and accessible social protection for all, including for workers in the informal economy in line with ILO Convention 102 on Social Security, ILO Recommendation 202 on Social Protection Floors and Recommendation 204 on the Transition from the Informal to the Formal Economy
- Social partners must be consulted when developing policies for a low-carbon economy, including on industry policy planning, in order to ensure a just transition policy that guarantees decent jobs and livelihoods
- Governments, in cooperation with social partners, should provide income support, skills training and redeployment services for workers who lose their jobs as a result of the transition to a zero-carbon economy
- If Payment for Environmental Services programmes are in place, low income groups should not be excluded.

⁹ https://www.ilo.org/weso-greening/documents/WESO_Greening_EN_chap4_web.pdf

Input from the ITUC on selected questions put forward by the Special Rapporteur

1. Energy: the switch to renewable energy sources and improved energy efficiency

1.1. Which policies (such as relocation grants, job-search assistance and re-skilling programs) have proven to be the most effective to support workers who are affected by the transition to renewable energy and to overcome barriers that low-skilled workers may face in entering the renewable energy sector?

The best strategies entail a tripartite approach, involving unions, employers and (local or regional) governments to develop region specific plans. The best examples at this moment can be found in Spain (The Just Transition Strategy within the Strategic Energy and Climate Framework¹⁰), Germany (Commission on Growth, Structural Change and Employment¹¹), Canada (Task Force on Just Transition for Canadian Coal Power Workers and Communities¹²), New Zealand (Just Transition Unit working on the Taranaki region¹³) and others. These are examples of the Global North. Also, in the Global South, first steps are being taken by unions to define transition strategies to renewable energy. The Just Transition Centre and the ITUC is assisting unions in countries like South Africa, Nigeria, Brazil and Colombia to define Just Transition measures that are adapted to the national and regional context.¹⁴

On the need for skills development policies, we can refer to the work of the ILO.¹⁵ The following figure gives an overview of the most important policies that should be considered to facilitate skills development. These general lessons do also apply for the specific situation of the transition to renewable energy.

¹⁰ https://www.miteco.gob.es/es/transicion-justa/etj-english_tcm30-508314.pdf

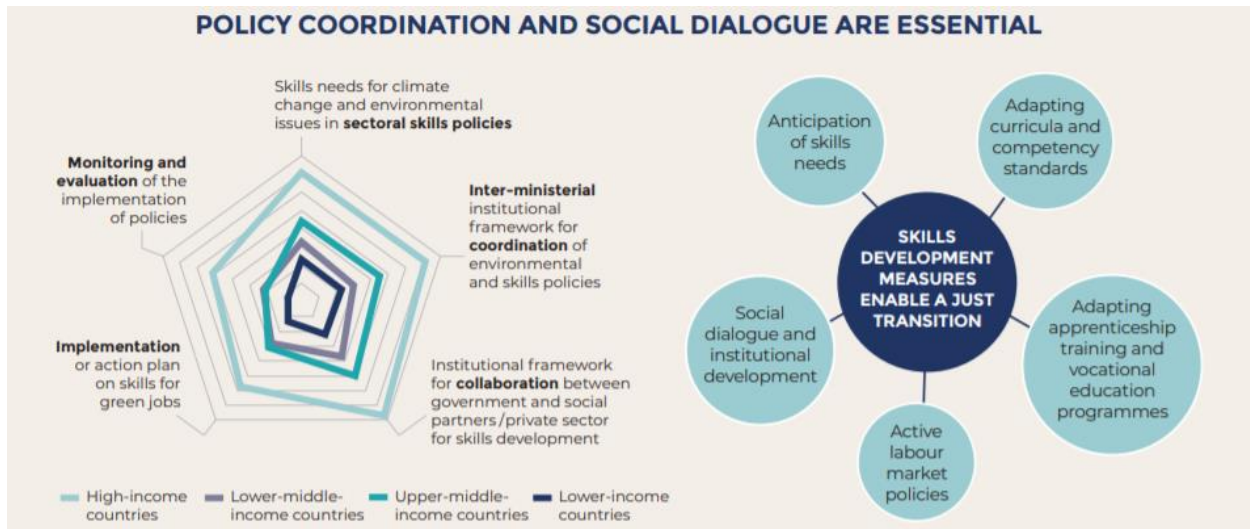
¹¹ <http://dip21.bundestag.de/dip21/btd/19/030/1903074.pdf>

¹² <https://www.canada.ca/en/environment-climate-change/services/climate-change/task-force-just-transition.html>

¹³ <https://www.mbie.govt.nz/business-and-employment/economic-development/just-transition/>

¹⁴ <https://www.ituc-csi.org/just-transition-centre>

¹⁵ https://www.ilo.org/skills/projects/WCMS_706922/lang--en/index.htm



1.2. Which innovative fiscal and financial incentives can be relied on to reduce cost gaps between renewables and fossil fuel technologies, in order to make clean energy affordable to all?

There is no silver bullet that can realise the stated objectives. In most countries an integrated approach will be needed that takes into account all aspects of energy consumption (subsidies, network tariffs, etc.) including the differences that exist between different types of energy consumers (households, SMEs, large companies, etc.). A negotiated agreement, with all actors involved, is most likely to contribute to a fair solution that takes the general interest into account.

2. Housing: encouraging energy performance of buildings

2.1. Which tools have proven successful to ensure that the imposition of higher standards related to the energy performance of buildings do not lead to an increased level of rents, making housing less affordable for low-income households?

Scandinavian and German models of local community managed housing (management by not-for-profit-corporations democratically controlled by local communities) seem to have the best guarantees for investment in energy efficiency without raising rent for occupants or taking into account the income levels of the occupants.

Just Transition and the right to energy should be key elements of climate action. Energy poverty eradication must be a top political priority with support for low income households and families in extreme precariousness. Promoting local community energy projects based on public ownership and solidarity can be effective tools.

4. The impacts of the transition on employment

4.1. *Payments for ecosystem services (PES) schemes, when carefully designed, can both help maintain healthy ecosystems and provide additional revenue for individuals and communities in poverty. This requires the careful and complex integration of economic, ecological and social criteria into the design and implementation of PES to promote economic resilience, environmental integrity and social development. How could PES be designed to ensure that people in poverty (landless poor and smallholders) are not excluded from them, which could occur by requiring formal land title, minimal land size or expensive application processes?*

Setting up systems of Payment for Ecosystem Services (PES) should be an integral part of the development of effective social protection systems. According to the ILO Social Protection Floors Recommendation (No. 202), governments should apply the following principles:¹⁶

- (a) universality of protection, based on social solidarity;
- (b) entitlement to benefits prescribed by national law;
- (c) adequacy and predictability of benefits;
- (d) non-discrimination, gender equality and responsiveness to special needs;
- (e) social inclusion, including of persons in the informal economy;
- (f) respect for the rights and dignity of people covered by the social security guarantees;
- (g) progressive realization, including by setting targets and time frames;
- (h) solidarity in financing while seeking to achieve an optimal balance between the responsibilities and interests among those who finance and benefit from social security schemes;
- (i) consideration of diversity of methods and approaches, including of financing mechanisms and delivery systems;
- (j) transparent, accountable and sound financial management and administration;
- (k) financial, fiscal and economic sustainability with due regard to social justice and equity;
- (l) coherence with social, economic and employment policies;
- (m) coherence across institutions responsible for delivery of social protection;

¹⁶ https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R202

- (n) high-quality public services that enhance the delivery of social security systems;
- (o) efficiency and accessibility of complaint and appeal procedures;
- (p) regular monitoring of implementation, and periodic evaluation;
- (q) full respect for collective bargaining and freedom of association for all workers; and
- (r) tripartite participation with representative organizations of employers and workers, as well as consultation with other relevant and representative organizations of persons concerned.

4.2. For green restructuring, new skills will be needed by workers in many existing occupations and industries. Governments, worker representatives and employers should work together to: (1) identify early potential job losses in emitting industries and (2) propose skills upgrading and training to the workers of those industries either to adapt their skills to a new green technology or to move to green industries. What labour market policies or measures can ensure that the most vulnerable workers in the labour market receive targeted assistance and preferential treatment to identify their skills' deficiencies and ensure their access to green jobs through tailor-made training, directly linked to specific job openings?

Social dialogue is a key to implement Just Transition Plan. There are already good examples all around the world who prove that Just Transition can be a reality.

The Plan Del Carbon adopted in Spain end 2018 is a perfect example. Through social dialogue, workers representatives, employers and public authorities define a set of measures to support workers and their communities after the closure of coal mines: reskilling and upskilling schemes for cutting-edge green industries, investment program (250 million €), social measures (as early retirement for example) will provide the affected regions and will offer their workers a future.

This Plan Del Carbon is based on 'Just Transition' contracts, helping the regions to consolidate the employment of the future. The global philosophy of this plan is that no one will be left behind.

If every situation has its own specificity, and no one solution fits all, social dialogue is the most efficient and democratic way to find real solutions, understood and accepted by all.

It is not only a question of jobs creating. The new jobs have to be good and decent. Examples proved unfortunately that jobs in the green sectors are not

necessarily good jobs, as the Beatrice Projects in Scotland proved recently¹⁷. It is the reason why jobs in these emerging sectors have to respect the ILO standards, to offer good working conditions and decent wages.

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¹⁷ <https://www.theguardian.com/uk-news/2018/oct/21/migrants-building-beatrice-windfarm-paid-fraction-of-minimum-wage>