A JUST TRANSITION TO WELL-PAID, UNIONISED, GREEN JOBS



Decarbonising our society with a Green New Deal will have implications for workers throughout the entire economy and must therefore be **fundamentally worker-led**. The total **decarbonisation of our economy will require major industrial transformations** including the complete phase out of fossil fuel production; ending the generation of electricity from fossil fuels and switching to renewables; transforming steel and cement production; and significantly increasing energy efficiency across the economy to reduce total energy consumption. Thus, those **industries whose jobs will be most affected must lead** in this transition while being guaranteed employment in the zero carbon economy.

The Green New Deal recognises that left to the employer and the market, the process of decarbonisation will be fundamentally unjust, as those whose industries and roles have been eliminated will be left to suffer unemployment and income loss. Workers should not pay the price of change; rather, proactive, worker-led action will be essential to ensuring a just transition. With the Green New Deal, this will mean large-scale investments that increase social and labour market inclusion, not put it at risk.

The transport sector provides a compelling example of the extent and complexity of the impact on jobs and work that will come from decarbonising our economy. Changes to employment in this sector alone could include: new employment in the supply of electricity and hydrogen to vehicles; the elimination of roles in the production and supply of petroleum and diesel; the transformation of manufacturing jobs to reflect new types of vehicles and transport infrastructure; and a modal shift to public transport from private vehicle resulting in significantly greater employment in the bus and train sectors. In view of the scale of transformation required, the Green New Deal must guarantee the defense and expansion of support, protections, and rights for workers, with sensitivity to the scope and impact of the project of decarbonisation.

The Green New Deal will therefore mandate decisive investment in green industries and manufacturing with a green industrial strategy involving strategic public procurement. This will provide the scope for significant job creation, **guaranteeing work for those whose current roles are set to change**. However, the Green New Deal is not simply a project for decarbonising our current economy – it is a plan for building a new one. The Green New Deal must therefore also drive growth in inherently 'green' jobs through significant **investment in socially reproductive sectors**, such as health and social care and public services.

CHALLENGES AND OPPORTUNITIES

The UK currently faces serious challenges in employment: 7.6% of the working population are <u>underemployed</u> – meaning they may have jobs but are working fewer hours than they want or need, or in roles for which they are overqualified – and 10.4% are over employed. Close to a <u>million people</u> are on zero-hour contracts, creating conditions of precarity and insecurity. Most harrowing is the fact that 69% of children living in poverty come from working families, proving the woeful inadequacy of existing wages and worker benefits. Despite Tory claims of an economic recovery and decreasing unemployment, for people across the country, **work is clearly not working**.

On top of this existing employment crisis, the labour movement faces an enormous challenge in the process of decarbonisation: ensuring the livelihoods of the <u>hundreds of thousands</u> currently employed by the fossil fuel extractive industries, as well as those outside this immediate industry whose jobs will also be affected. Indeed, the fossil fuel industry jobs in the UK represent just a fraction of the jobs that will be impacted by the transition to a zero carbon economy. **These challenges must be faced head on to ensure justice** in the effort to transform and decarbonise our economy.

However, the transition to a zero carbon economy is not just a source of challenges – it also represents an unprecedented opportunity to change and improve the way we work as we envision not how to decarbonise our existing economic system, but how to build an entirely new one. An economy-wide transition away from fossil fuels will require immense labour power, for instance in the construction and operation of new transport networks and energy systems. Decarbonisation will also require a broader shift to low carbon, socially reproductive work including health and social care. The Green New Deal also recognises the energy transition as an opportunity to empower trade unions and generate new membership, as well as to democratise the workplace, empowering workers to have meaningful control over how the organisations that employ them are run.

The question we face in the project of decarbonisation is whether the fates of those whose jobs will be impacted are left to profit-seeking private industry or to a Labour government working directly with unions and workers to **enact a vision for a sustainable future based on good, secure, unionised jobs**. A Green New Deal will mean a proactive

programme at multiple levels of government and in collaboration with workers to ensure the retraining and re-employment of those working in sectors that are incompatible with a green future, and which offer well-paid, secure, unionised work.

Overhauling our energy system, retrofitting buildings, greatly expanding and greening transport and creating a sustainable agricultural sector represents an incredible **opportunity to invest in the previously industrial towns and cities of the UK**, many of which continue to suffer the effects of deindustrialisation and the privatisation of major sectors that began under Thatcher, and which have been broadly continued since. The Green New Deal will reverse these devastating policies by establishing the UK as a global leader in the manufacturing of wind and solar power with both a major public investment programme and appropriate incentivisation of fair private investment. Areas of the UK that developed around the mining towns and other industries that powered the UK's economic development and growth can once again be industrial and manufacturing hubs, offering high quality, unionised employment in cutting-edge green industries.

Recent events at the Harland and Wolff shipyard in Belfast offer a compelling example of the potential of a worker-led transition. Threatened with the closure of the yard – which at its peak provided 30,000 jobs, but has gradually declined as its fossil fuel extractive parent company declined into bankruptcy – workers have demanded the yard be nationalised and transitioned to renewable energy manufacturing. Such a transition has the potential to create thousands of good, green jobs using workers' existing skills to manufacture green energy technology.

The Green New Deal will guarantee a just transition to well-paid, unionised, green jobs available for all who want them. Potential labour market interventions to ensure this process could include:

- 1. Immediate **repeal of anti-union legislation** alongside new interventions to empower unions, grow membership and revitalise the trade union movement.
- Public investment (and public support for private investment) in industry to be tied to conditions on investment regarding local supply and fair work.
- 3. Greatly improved research into and anticipation of **probable employment and skills demand**, on an occupational and sectoral basis, at UK, national and regional levels.
- 4. **Just Transition Agreements** to be negotiated with workers and/or union representatives in key industrial sectors, alongside regulation of

- key sectors (like energy production) to require Just Transition Plans which include conditions about local supply and fair work.
- 5. Securing good employment for those whose jobs are incompatible with a zero carbon economy with **job guarantees** that offer workers the opportunity to re-train and enter a new role under the same or improved conditions.
- 6. **Re-training** of existing workers to be provided by employers, with training of new workers in key sectors to be publicly funded
- 7. Tailored programmes to improve the inclusion of groups systematically disadvantaged in the existing labour market.

THE OPPORTUNITY FOR BETTER WORK AND A FAIRER SOCIETY

The Green New Deal is not just a plan to tackle a number of ongoing and interrelated crises; it represents an opportunity to build a **new model for our economy**, and in particular the nature of work and of workers' rights.

Crucially, the Green New Deal provides the opportunity to **reinvigorate the Trade Union movement** and to introduce highly progressive employment policies that benefit workers, including a **shorter working week** that enables the benefits of increased productivity from automation to be reaped by the working class. The dismantling of the power of the trade unions was a cornerstone of the Thatcher-era project of economic transformation that, through its prioritization of profits over all else, has driven both the climate and inequality crises. In order to pave the way for finance and corporations to pursue greater profits, her government eliminated central obstructions to enable profit maximisation including, critically, organised labour. In order to transform our economy again under a Green New Deal, it is vital to restore the power of organised labour through policies to support both the establishment of new unions and the development of existing ones.

The restoration of worker power is necessary to drive other more fundamental changes in our economy and in particular **how we conceive of work**. In the past, labour unions have driven such radical innovations as the <u>8-hour working day and the weekend</u>; paid holiday;

<u>Social Security</u> and other benefits; and protections against unfair firing practices. Revitalising them thus offers the opportunity to drive further improvements in the lives of working people, including higher wages or radical policies such as a shorter working week, which have the potential to <u>improve productivity and quality of life while reducing carbon emissions</u>. The Green New Deal also offers the chance to restructure the way that businesses and corporations operate, for instance through developments in worker ownership and giving workers a direct say in how companies are managed.

Addressing the right to good, green, well-paid, unionised jobs in the project of decarbonising our economy therefore represents more than just a guarantee of basic employment for workers in carbon-intensive industries. Rather, the Green New Deal goes far beyond this by recognising that the **empowerment of workers is absolutely fundamental** to generating a transition to a zero carbon economy that is radical, just, and transformative.