



**Irish Congress of Trade Unions**

**Submission to Consultation on the Climate Action Plan 2023**

**September 2022**

## About Congress

The Irish Congress of Trade Unions is the largest civil society body on the island of Ireland and represents some 750,000 members in 44 affiliated trade unions, active in both political jurisdictions and encompassing all aspects of the economy and working life.

The short submission below focuses primarily on the issue of Just Transition and the necessity to establish a national Just Transition Commission, as matter of urgency.

## 1. Sectoral Emission Ceilings

**What do you view as the key actions required to ensure the emission reduction targets set out in the Sectoral Emission Ceilings are met?**

Following the publication of the new Sectoral Emission Ceilings, it is imperative that we now move to develop and agree the processes that will be required to ensure that these new targets can be met across all sectors.

Equally, it is vital that the government urgently undertakes works to examine the full and detailed employment implications of the new ceilings, in each sector.

This includes both potential job losses and job creation, along with significant changes to already existing employment.

Congress repeatedly called for such Employment Impact Reports/ Studies to be carried out in *advance* of the drawing up of the new Sectoral Ceilings, including in hearings organised by the Oireachtas Committee on Environment and Climate Action in January 2022.

Similar arguments have also been put forward by the Just Transition Alliance.

In the absence of any clear understanding of the possible employment implications of the new sectoral ceilings, neither the government or state bodies, employers, trade unions or any key stakeholders will be in a position to design and introduce measures to either mitigate against job losses, or maximise employment creation.

Equally, those workers who may see their trades or professions dramatically altered by the low carbon transition process will not be in a position to avail of early, proactive engagement in order to develop the new skills that may be required.

Thus, it is clear that an essential first step on the path to implementation of the new Sectoral Emission Ceilings, is for government and key stakeholders to develop new **sector specific plans** that encompass employment impact in each sector and the measures required in response.

For example, work is currently underway - under the auspices of NESC - to examine the impact of climate policy and emission ceilings, on the agriculture sector. There is no reason why this work could not be expanded to examine all key sectors covered by the Sectoral Emission Ceilings.

Congress believes that this work would be best directed and led by the national Just Transition Commission, which can and should be established as a matter of urgency ahead of planned legislation.

**What do you view as the main challenges/obstacles to the Sectoral Emission Ceilings being met?**

See above

## **2. Just Transition**

**What types of supporting interventions should be considered by the Government to address the four principles of our Just Transition Framework within individual sectors?**

As referenced previously, it is imperative that a Just Transition Commission based on social dialogue is established without delay and that the Commission's work is fully aligned with the essential International Labour Organisation (ILO) guidelines on the implementation of a Just Transition, as referenced in the 2015 Paris Agreement and endorsed by successive Irish governments.

While the Climate Action Plan commits to the establishment of the Commission, the timescale envisaged is far too protracted.

Such a Commission would include representatives of government, trade unions, employers, communities and civil society.

The stakeholder model utilised by NESC provides a useful framework that could be adopted and adapted by the Commission.

Equally, the key 2020 NESC report on transition provides a blueprint and platform for the work of the Commission.

This is particularly true, given that the report was produced by way of a collaborative, stakeholder process and, as such, demonstrated a strong consensus across trade unions, employers, agriculture, environmental groups and wider civil society, with respect to the necessity for a genuine Just Transition.

It is important to understand that the concept of a Just Transition emerged from within the union movement in the late 1970s and early 1980s.

The aim is to ensure that no worker or community was left behind in any industrial or societal transition process.

Indeed, the starting point for a Just Transition is that job losses, lower living standards and community impoverishment are *not* the automatic or inevitable outcome of the move to a zero carbon economy.

Instead, these outcomes arise from bad policy and bad planning.

If we allow bad policy to triumph then the move to zero carbon will become synonymous with job loss and lower living standards and make climate justice impossible to achieve.

To date, the only concrete model of transition available is the peat harvesting sector in the Midlands.

This proved disastrous for workers and communities with over 1000 jobs lost and no significant replacement jobs created.

This was the litmus test for the transition in Ireland and it proved a failure.

This despite the fact that workers in the sector agreed, in 2015, to the managed and planned wind down of the industry, over the the course of a decade.

This was in fact the first Just Transition agreement on this island and provided a very strong template for other industries and sectors to follow.

The fact that it was never implemented has bred mistrust and lack of faith.

In order to rebuild faith in the process it is clear that a new paradigm will be required.

The Just Transition Commission is central to this new paradigm and the most viable model to deliver better outcomes for all.

Both the ILO and the International Trade Union Confederation (ITUC) stress the centrality of social dialogue to the Just Transition process.

The Commission would focus on job retention, protection of living standards, skills development, the creation of Decent Work and a commitment to genuine community and regional development.

As referenced above the Commission should be charged with developing/ directing the design of Sectoral Transition Plans, tied to the Sectoral Emission Ceilings, which set out the measures and processes required to move to a zero carbon economy, in each sector and across the economy.

This will require a clear analysis and understanding of the sectors and workforces that are most vulnerable to change and will, as a consequence, require interventions around retraining and skills development.

Without a clear understanding of which sectors are most vulnerable and in what order, the appropriate interventions cannot be costed, designed or implemented.

It is regrettable that this crucial work in terms of job and employment vulnerability has not been undertaken before this and should therefore be undertaken as a matter of urgency, ideally under the auspices of the Just Transition Commission.

**Are there any emerging skills gaps that need to be addressed that haven't already been identified by the Expert Group on Future Skills Needs in its Skills for Zero Carbon report?**

The above mentioned report provides a good framework, but it also needs to be complemented by far deeper and more comprehensive work on the impact of emission ceilings and other measures, on existing and future employment. This work should be carried out as above.

**Are there any emerging areas of vulnerability in specific sectors of the economy as a direct result of the implementation of Ireland's climate action policies?**

See above

**How should Local Authorities seek to integrate just transition considerations into the preparation of their statutory Climate Action Plans?**

Ideally, local authorities would work collaboratively with the national Commission and also with key stakeholders in their respective areas, to ensure planning coherence across all local authority areas.

**What mixtures of skills and expertise are required on the Just Transition Commission?**

As referenced above, this needs to be based on social dialogue and incorporate all relevant stakeholders. It is also imperative that the Commission be inclusive and that the voices of those workers and communities are heard and that they have an opportunity to input and to shape their future. One possible model could be the structure adopted by the Scottish Just Transition Commission, but other models are also available. See below.

### **International Examples**

International experience - as far back as Germany's Ruhr Valley in the 1960s - demonstrates the importance of tailoring the Just Transition model to the needs of individual economies and societies. The examples below have been compiled with the assistance of the Just Transition Centre of the International Trade Union Confederation (ITUC)

#### **Canada: Task Force on Just Transition for Coal Power Workers & Communities**

The task force was established by the government in 2016 in the context of a commitment to phase out coal. Its purpose was to provide "knowledge, options and recommendations to the Minister of the Environment and Climate Change on implementing a Just Transition for workers and communities directly impacted by the accelerated phase out of coal fired electricity in Canada". To arrive at this result, the Task Force conducted consultations with different groups and prepared recommendations on

the basis of these. Labour representation was strong with one of the two chairs and five out of nine members having some labour affiliation.

### **Germany: Commission for Growth, Structural Change & Employment**

The Commission's mandate was to develop a comprehensive plan for the phasing out of coal and the development to the coal regions, combining measures that allow the country to reach its 2030 climate goals while creating new, sustainable jobs in the coal regions and not endangering energy security and economic competitiveness. The Commission further developed its own benchmarks and criteria for the recommended measures. The Commission had 28 members (not including 4 chairs with no voting powers), two of which came from unions.

### **Scotland: Just Transition Commission**

The Commission was set up in 2019 and delivered its final report in March 2021. The Commission's mandate is to provide advice to Scottish Ministers, based on stakeholder consultations, on how to apply the ILO Just Transition Principles to Scotland, across all sectors. While the level of statutory targets (e.g. emissions reductions targets) as well as issues already covered by other bodies must not be covered by the Commission's recommendations, they should still take the wider policy landscape into account. The recommendations are geared towards "maximising the economic and social opportunities that the move to a net-zero economy by 2045 offers, building on Scotland's existing strengths and assets, understanding and mitigating risks that could arise in relation to regional cohesion, equalities, poverty (including fuel poverty), and a sustainable and inclusive labour market". Decision making is by consensus where possible, and by simple majority where consensus cannot be reached. There are 12 members in total, which includes two trade union representatives.

### **Spain: Just Transition Institute**

The Just Transition Institute is an autonomous body of the Ministry for the Ecological Transition and the Demographic Challenge, created in 2020 and succeeding the Institute for the Restructuring of the Coal Mining and Alternative Development of Mining Regions (established in 1997). Its governing board includes representatives from different administrations and social partners. It is responsible for implementing the government's Just Transition Strategy. Part of this Strategy is the development of regional Just Transition agreements in a participatory manner. In March 2021, the social partners reached a general "Agreement for Just Transition for Coal Power Plants: Jobs, Industry and Territories" which serves a basis for the regional agreements.

### **Spain: Just Transition Monitoring Commission**

In Spain, unions and the government agreed on a transition plan for coal mines in 2018. The deal includes a monitoring commission which has interpretative competence in the event that there are discrepancies in the reading of the Plan and will annually assess the progress. There are a total of 10 union members on this commission, four out of six of the institutions represented are unions.

### **New Zealand: Just Transition Unit, Ministry of Business & Employment**

The unit examines the impacts of major climate change policy decisions on households, communities, industries and regions, across sectors. It also develops legislative and budget proposals, holds consultations and coordinates with other government agencies. Its activities so far have included partnering Taranaki region to support the co-development of the Taranaki 2050 Roadmap with regional players and holding a two-day Just Transition Summit with various stakeholders. In Taranaki, work on Just Transition is still ongoing, with trade unions pushing to implement the roadmap.

**Colorado: Just Transition Office/ Advisory Committee Department of Labour** The purpose of the Just Transition Office is to help workers that will be adversely affected by the loss of jobs and revenues due to the closure of coal mines and coal-fired power plants transition to new, high-quality, jobs, to help communities continue to thrive by expanding and attracting diverse businesses, and to replace lost revenues. The Just Transition Advisory Committee includes representatives of coal communities, labor unions, and utilities as well as issue experts and members of the Colorado General Assembly and the Governor's Cabinet. Three out of 19 members represent workers. It was responsible for creating, in partnership with local communities, the Draft Colorado Transition Plan, which informed today's Colorado Just Transition Action Plan. It updates this plan on a regular basis and supports the Just Transition Office.

### **California: Collaboration on a Just Transition Roadmap**

In September 2020, the Governor of California issued an Executive Order on climate measures. While the order is focused heavily on transport, it also includes an order to the Labor and Workforce Development Agency and Office of Planning and Research to collaboratively develop a broader Just Transition Roadmap by July 15, 2021, consistent with the "Jobs and Climate Action Plan" already developed by the California Workforce Development Board; and an order to the California Environmental Protection Agency and the California Natural Resources Agency to provide an action plan on the transition away from oil by the same date.

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