



**Address by Juan Somavia  
Director-General of the International Labour Office  
at the 2008 G8 Labour and Employment Ministers' Meeting**

**Niigata, Japan  
13 May 2008**

*Panel discussion (Session 3): Global challenges for sustainable development: Strategies for green jobs*

Thank you Minister Masuzoe,

Dear Ministers of the G8 and also Minister Suparno of Indonesia, and Minister Theinthong of Thailand,

Good morning colleagues,

We have a big topic for this morning's discussion so let me get straight into the subject.

You have a background note from the ILO which describes the challenges we face in adjusting enterprise and employment patterns and the labour market in all countries of the world to environmental concerns, in particular the reduction of greenhouse gas emissions needed to eventually stabilize global warming.

So I will address three issues.

*First*, since it is a relatively new idea that we are developing I will briefly explain what we mean by the ILO "Green Jobs Initiative".

*Second*, I will highlight the main policy tools that Ministers of Labour and Employment and the ILO have, to address the challenges posed by a major transformation of the technological basis of our economic and social systems.

*Third*, I will draw attention to the importance of taking a global view on a green jobs approach because of the central importance of balance and equity to enhance the political sustainability of the three pillars of sustainable development—economic, social and environmental.

So on the *first* issue, the "Green Jobs Initiative" is our contribution to the broad-based concern to address environmental issues and climate change in particular. This stems from market forces and public policy-makers.

Increasingly consumers want to know that they are not indirectly contributing to damaging the environment or as citizens want to contribute through their own lifestyles to a cleaner environment.

Companies' reputation is increasingly measured against the credibility of their policies to reduce their environmental footprint. But they also see the environment as a new business sector which research and development today can constitute the competitive advantages of tomorrow. And national and international policies are setting targets for society at large. We are on a Bali road map heading from Kyoto to Copenhagen. So the process of greening our societies is already underway.

That is why we are collaborating with the United Nations Environment Programme, the International Trade Union Confederation, the International Organisation of Employers and others to develop our contribution to a market and a political convergence of the demand for action.

Moving towards a more sustainable development path will mean major changes in the production and consumption patterns of all countries and this is going to affect enterprises and employment.

We are looking at a global challenge that will in fact happen in enterprises and work places at local levels all over the world.

The transition has already started. New jobs are already being created. Some jobs will be phased out or adapted. And probably all jobs and enterprises will change in some way.

We should anticipate a considerable new impetus to the continuous process of structural change which creates many new opportunities but has down-side risks as well. We believe that if we manage well the risks the opportunities are enormous.

The evidence for the potential of green jobs is clear and the list is growing by the day:

- Germany has already created hundreds of thousands of green jobs in the renewable energy industry and in energy efficiency, with many more on the way.
- US workers in the environmental industry outnumber those in the pharmaceutical industry ten to one.
- China has 1,000 firms making solar thermal equipment, providing employment to some 600,000 workers.
- In Bangladesh over 100,000 photovoltaic panels have been installed providing light to homes; thousands of women are employed directly and many more have started new businesses through the Grameen movement.
- The Indian city of Delhi is introducing new eco-friendly compressed natural gas buses, which will create an additional 18,000 new jobs.

But alongside the potential, we know that many current jobs are tied into the carbon-intensive economy and are at risk as we reduce our dependence on carbon-based fuels.

We also have to acknowledge that good green jobs do not come naturally. They are not decent by definition. We have to pay attention to the quality of those jobs through the Decent Work Agenda.

Throughout the world, for example, millions of workers are involved in recycling discarded computers and mobile phones. But they are bad quality jobs where far too often the first things to go in the recycle bin are safety and health rules.

This leads me to my *second* point. We have already the lessons of earlier periods of major structural change in production and employment.

We know that not having a policy framework that helps enterprises and working women and men through transitions can lead to a backlash against the policies aimed at encouraging change. Trade is an example. It both creates and destroys jobs but not necessarily in the same place or at the same time. It is no help to people losing their jobs that overall the economy is gaining.

Labour and Employment ministers have a wide array of policies to keep this transition moving along to make it smoother. I will mention four.

*A*, we need to analyse what the scale and pace of change is likely to be. This probably cannot be too precise at this stage. But through dialogue with business, unions and others, particularly at sector and local level, and of course governments, I believe we can get a better idea of the shifts in employment we must expect. Let's have a preventive approach.

*B*, we need active labour market policies to assure workers that a green environment for society does not mean an unemployment slip for them.

Where there are downsides and jobs lost—let's invest to make sure there is training and new opportunity.

Skills development in particular will play an essential role in making green growth possible. There are already shortages of professionals and skilled workers in many countries resulting in energy efficiency standards not being met, in a slowing down of improvements in energy efficiency and the deployment of renewable energy and other high-performance technologies.

*C*, we need to address the social protection challenge through policies promoting protected mobility in a time of rapid change.

Whatever pro-investment job creation policies are in place, displacements and downsides are inevitable. We need to think from the beginning about the impact on people—and mobilize policies that ensure a just transition.

Let's make sure social security schemes are effective and in place alongside active labour market policies to soften the blow for both entrepreneurs and workers.

*D*, social dialogue, locally, nationally and internationally can help us find the most viable, effective and fair policy solutions in each specific context. As we all know social dialogue builds mutual confidence, so that whatever change brings, a way forward can be found that is equitable to all concerned.

We need social dialogue among those most affected by these transitions—governments, workers, employers and local authorities—to work towards fair policies that are efficient and balanced in their costs and benefits because that is the way to make them politically sustainable.

Spain is pointing the way through tripartite roundtables among all national stakeholders for Kyoto implementation and the negotiations leading to Copenhagen.

The importance of taking a global view on green jobs is the *third* broad issue I want to highlight.

We have with us this morning the ministers of labour and employment from Indonesia and Thailand. Developing countries are approaching the climate change challenge from a different starting point than the G8.

They have historically contributed least to the build up of greenhouse gases, still have much lower per capita energy use than developed countries, will suffer much more adverse impacts from the climate change already underway, and still have large unmet development needs not least to reduce large-scale poverty.

This a key issue in current negotiations but we already know that for least developed countries increased development assistance is going to be vital to their joining a worldwide approach to climate change.

Many middle-income countries are investing in cleaner production but the development and transfer of technology is key for them.

Ensuring that cooperation policies—aid—and the promotion of appropriate technology development which also maximises decent work opportunities can be an important contribution to coherent policies for sustainability.

Employment intensive infrastructure investment can cut poverty, conserve water and fuel and strengthen protections against the severe weather events many developing countries have to prepare for.

Basic social protection policies and rapid reaction capacity to crises reinforce the resilience of societies at risk of catastrophic weather events and reduce poverty amongst the most vulnerable groups.

Skills development is critical to successful technological development and transfers.

So, the “Green Jobs Initiative” is grounded in the Decent Work Agenda. As we discussed last year in Dresden, it has global reach, is relevant to all countries and is key to shaping a fair globalization.

Balanced strategies to address climate change are an additional dimension to shaping a fair globalization alongside the social dimension on which we have focussed much effort.

Addressing climate change is a huge medium-term global challenge. We must develop a strategy that as well as being environmentally, socially and economically sustainable, is politically sustainable too. That means finding an approach that is equitable within and between nations.

I believe that our focus on decent work can make a major contribution to building a strong element of fairness and reality into a project that today can sometimes seem remote from the everyday life of the working women and men whose jobs are going to change.

I will conclude by referring you to some of the key emerging issues for green jobs strategies we raise at the end of our paper. These are:

- Identification of the likely increases and decreases in employment opportunities consequent on policy changes to stimulate more sustainable growth patterns;
- the promotion of dialogue at national, sectoral, company and work-place level on greening of employment;
- review of skills policies to prepare for green job opportunities;

- integration of green jobs approaches with policies to make labour markets more inclusive;
- support for programmes for smaller enterprises to promote energy conservation, more resource efficient and cleaner production, and recycling;
- measures to promote green jobs in possible counter-cyclical policies;
- dialogue with national ministerial colleagues, particularly ministers of environment, on policy initiatives with a view to anticipating and grasping employment opportunities;
- dialogue with developing country counterparts and development ministry colleagues on, for example, basic social protection systems and collaboration on employment intensive investment in climate change adaptation programmes; and
- cooperation with developing country counterparts and colleagues in ministries of development and environment on charting pathways to clean development and avoidance of greenhouse gas emissions which also deliver on creating more and better jobs and reduce poverty.

Minister Masuzoe, many of these ideas spring from an extremely productive symposium on green jobs held a few weeks ago here in Niigata by the ILO Regional Office for Asia and the Pacific with the support of your Government and the Niigata Prefecture.

I have to thank you on behalf of the participants and the ILO for making that path-breaking meeting possible. Their six messages to the G8 are summarized in the annex to the ILO paper.

So Minister Masuzoe, let me say how much I appreciate the leadership you have provided in placing the question of green jobs on the G8 agenda. You can give a tremendous impetus to the debate about how to ensure an equitable transition to the employment patterns we will need for a sustainable development path not just for the G8 countries but for the world.

I am confident that the Niigata G8 Labour and Employment Ministers' Meeting will be remembered for showing the way forward to a global balance that connects work places to one of the biggest and expanding global challenges we face today. And I hope the Hokkaido Summit will further reinforce the green jobs approach.

Thank you.

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