

Just transition – a priority for trade unions in transformation

Climate and environmental change are rapidly becoming a massive challenge for poverty reduction, decent work, sustainable development and social justice

At the occasion of the [COP28](#) – the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) - being held in Dubai (30 Nov - 12 Dec 2023), it is key to highlight the need for trade unions' engagement around climate change and sustainable development. COP28 is the supreme decision-making body of the Convention and brings together governments from all over the world. Key stakeholders from around the world, including a huge delegation of trade unionists, are also present to advocate for climate issues and just transition.

Background

In June 2023, the International Labour Conference (ILC) held a general discussion on [A just transition, including consideration of industrial policies and technology, towards environmentally sustainable economies and societies for all](#). Ten years after the General Discussion on Sustainable development, decent work and green jobs, representatives of governments, workers' and employers' organizations from all over the world met and discussed the key drivers of change related to the just transition, good practices, and policy recommendations for the world of work. The Conference adopted tripartite [Conclusions concerning a just transition towards environmentally sustainable economies and societies for all](#) providing further guidance to the ILO and its constituents on their strategic directions for the years to come.

It highlighted ILO's mandate and leadership on just transition and stressed the need for concerted and coherent action based on effective social dialogue among governments, employers and workers in advancing a just transition in the multilateral system including the United Nations climate processes. This will be extremely important at COP28 when countries worldwide are going to discuss the work programme on just transition pathways. It is therefore useful to assess what climate change and a just transition means for the future of trade unions.

The ILO's report [Achieving a just transition towards environmentally sustainable economies and societies for all](#) states that *"climate and environmental change is quickly becoming the largest threat to poverty reduction, decent work, sustainable development and social justice"*. Newspapers headlines increasingly lead on environmental issues, ranging from global warming, the need to cut the emission of greenhouse gases, rising sea-levels, heavy rains and flooding, to its impact on human health and welfare. Climate change is increasingly a reality, and it is believed its impacts will continue to grow. This has important consequences for the economy and for workers worldwide.

Box 1. Environmental change affects economies and societies worldwide

ILO research shows that approximately half of the world's gross domestic product (GDP) is dependent on the sustainable management of natural resources and ecosystems. This directly impacts upon the 1.2 billion jobs in farming, fisheries, forestry and tourism. Furthermore, people living in poverty, including disproportionate numbers of women and indigenous peoples, are dependent on natural resources for their livelihoods and food security, and are those most vulnerable to climate and environmental change. If unmitigated, climate change could push up to 130 million people into poverty within the next ten years, leading to displacement and forced migration.¹ The International Monetary Fund (IMF) estimates that, besides human suffering, climate-related disasters have caused direct economic damage in excess of US\$1.3 trillion – or an average of 0.2 per cent of global GDP per year – over the past decade.²

Environmental change affects workers worldwide

Environmental change is having and will continue to have significant impacts on workers. Although the impacts differ between countries and sectors, climate change affects labour markets and workers in all countries and all sectors, for example:

- More than 2 per cent of total working hours worldwide are projected to be lost every year by 2030, either because it is too hot to work or because workers must work at a slower pace. This affects many sectors from agriculture to manufacturing.³
- When flooding destroys agricultural land, crops, workplaces and livelihoods are lost.
- When sea levels rise, work and livelihoods of the 120 million workers in the tourism sector are at risk.⁴
- When jobs in often unregulated sectors such as waste management, recycling, services, and repairs are growing, decent working conditions are at stake.
- When workplaces and jobs in fossil fuel industries are displaced, whole communities are affected.

¹ Achieving a just transition towards environmentally sustainable economies and societies for all International Labour Conference 111th Session, 2023

https://www.ilo.org/wcmsp5/groups/public/---ed_norm/-relconf/documents/meetingdocument/wcms_876568.pdf

² Equity Investors Must Pay More Attention to Climate Change Physical Risk, IMF, 2020

<https://www.imf.org/en/Blogs/Articles/2020/05/29/blog-GFSR-Ch5-equity-investors-must-pay-more-attention-to-climate-change-physical-risk>

³ Working on a WARMER planet The impact of heat stress on labour productivity and decent work

https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_711919.pdf

⁴ Sectoral Policies for a Just Transition towards Environmentally Sustainable Economies and Societies for All, ILO, August 2022

https://www.ilo.org/wcmsp5/groups/public/---ed_emp/--emp_ent/documents/publication/wcms_858856.pdf

Box 2. Just transition and potential employment opportunities

There is growing evidence that the transition in the energy sector and the transformation to a green economy can create employment opportunities and be a driver of skills upgrading, sustainable enterprise creation, more resilient and inclusive economic growth, a higher standard of living, and sustainable development. Indeed ILO research indicates that the employment created by just transition may offset the risks of job losses and result in a net gain in jobs.⁵

However, such positive labour market and social outcomes will not happen automatically. Trade Unions must seize the opportunities created by this transition to attain full, productive and freely chosen employment, social inclusion and decent work for all. This requires the social partners to come together and reach consensus through social dialogue on inclusive macroeconomic growth, sustainable enterprises, skills development, social protection, occupational safety and health and other rights at work, and find new solutions.⁶

Trade unions addressing challenges and opportunities related to environmental change

For Trade Unions to play an effective part in this just transition, they need to place themselves in a better position to address its challenges and opportunities. *Trade unions in transformation* is best understood as building trade unions' capacity to navigate uncertainty and change, adapting to changing dynamics in the labour markets and changing needs of workers, and positioning themselves strategically for the future. Key areas for trade unions in transformation are being proactive in anticipating change in times of multiple-crisis; developing innovative strategies to attract and retain members, including workers in emerging jobs (e.g. gig workers), and sectors (e.g. the green or blue economies); developing strategies on new themes (e.g. violence and harassment); internal governance; promoting workers' voice and dialogue; and coalition-building and campaigning.

Box 3. Just transition is increasingly on trade unions' agendas

Increasingly, trade unions are placing environmental change and just transition high on their agendas. In many countries, trade unions have successfully advocated for a 'just restructuring'. Trade unions have negotiated mitigation through social protection or re-skilling by successfully anticipating skills needs and negotiating trade and investment agreements that include green clauses for its membership in sectors particularly affected by the transition (e.g., in coal mining). Trade Unions have also reached out to new membership in emerging sectors (e.g., wind or solar energy; or the circular economy)⁷.

Bread and butter issues such as wages and social protection remain central to trade union work on securing a just transition, but unions have also been broadening their scope to

⁵ Achieving a just transition towards environmentally sustainable economies and societies for all International Labour Conference 111th Session, 2023

https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_876568.pdf

⁶ *ibid.*

⁷ The circular economy tackles climate change and other global challenges like biodiversity loss, waste, and pollution, by decoupling economic activity from the consumption of finite resources.

include structural change and the importance of industrial policies when, for example, dealing with the production of electric vehicles. Trade unions have also recognised the implications of digitalisation on particular sectors and ensure these are reflected in International Framework Agreements (IFAs). As such, trade unions have been representing and serving workers on those topics that matter to the workers of today *and* tomorrow.

Furthermore, innovative and inclusive social dialogue is an essential vehicle to ensure that the environmental change inherent to the just transition goes hand-in-hand with respect for workers' rights. Many trade unions that have been incorporating green issues into collective agreements and entered into collaborations and coalitions with civil society organizations (CSOs) through joint campaigns on environmental justice. In South Africa for instance, trade unions collaborated in broader coalitions with CSOs on environmental justice.⁸

ILO Guidelines on Just Transition

The ILO [Guidelines for a just transition towards environmentally sustainable economies and societies for all](https://www.ilo.org/actrav/pubs/WCMS_647648/lang-en/index.htm), adopted in 2015 and formally endorsed by the ILC in 2023, calls on governments, workers' and employers' organizations to strengthen their ability to address uncertainty and environmental change. The Guidelines call on trade unions to be proactive in addressing the impacts of environmental change. This proactivity must take shape through three "Ps" – Planning; Participation; and Poverty Alleviation.

Planning

Trade unions must anticipate when major changes in the economy and labour market are coming so as to avoid industries or companies closing down without proper plans for dealing with the impact on workers. They need to have plans in place to ensure that workers in these industries or companies are supported through schemes such as social protection, skills upgrading, and early retirement; and work towards new green industries being established to create new jobs for retrenched workers. The municipality of Alberta in Canada provides an interesting example whereby trade unions negotiated with corporations whose power plants were being affected by a phase-out to compensate workers and their families through training, relocation and income support.⁹

Box 4. Inclusive trade unionism for just transition

Gender equality and non-discrimination are directly related to the just transition. Gender gaps in wages or labour market participation are a reality everywhere, and the impacts of climate change can both exacerbate existing gender inequalities and create new ones. If trade unions want to promote gender equality in the renewable energy sector, specific gender policies need to be put in place. It does not happen organically. Moreover, skills development policies are needed to address existing segregation - both vertical and horizontal – to ensure that women and girls fully benefit from emerging employment opportunities in the green or blue economies.

⁸ Just Transition Towards Environmentally Sustainable Economies and Societies for All, ACTRAV, ILO, 2018
https://www.ilo.org/actrav/pubs/WCMS_647648/lang-en/index.htm

⁹ Just Transition Towards Environmentally Sustainable Economies and Societies for All, ACTRAV, ILO, 2018
https://www.ilo.org/actrav/pubs/WCMS_647648/lang-en/index.htm

Participation

Planning for a just transition needs the full and equitable participation of governments, workers' and employers' organizations through effective, innovative and inclusive social dialogue. Environmental change is gradually being incorporated into existing social dialogue fora, but new spaces of dialogue are also emerging at different levels of policy formulation. Trade unions should be at the table when the National Determined Contributions (NDCs) of the Paris Agreement are discussed and implemented in all countries. NDC discussions touch upon a variety of topics that directly impact upon workers, ranging from industrial policies, technological change, social protection and skills development. Consequently trade union participation should be comprehensive, through design, implementation, monitoring and evaluation.

Box 5. Social dialogue for just transition

There are increasing examples of how social dialogue can be effective and inclusive in dealing with environmental change. In the case of the Ruhr in Germany employers and workers came together to manage structural transformation in a socially responsible manner through providing for social compensation, early retirement, and reskilling for workers.¹⁰ Similarly, in the case of Washington, USA trade unions joined forces with environmental organizations to negotiate a transition programme, encompassing early retirement, but also securing investment in the community and wider region through education and training, including through funding from the employer. In the European Union, the construction sector has experimented with strengthening green social dialogue, addressing technological change and digitalisation, working conditions and skills development. The Australian 'Hazelwood case' is another example where social dialogue has helped to mitigate the impacts of environmental change and structural transformation for workers and their families through skills development, job creation and early retirement schemes. Moreover, various companies entered into collective agreements on just transition with Italian trade unions in an agreement that covered retention, redeployment, reskilling and early retirement for elderly workers.

Social dialogue is considerably more challenging in sectors with high levels of informality. However, there are cases where it has played an important part. In Argentina, cooperatives have been key in the organization of informal waste-pickers, resulting over time in the establishment of the national confederation of workers in the informal economy. Negotiations with the local government resulted in the legal recognition of waste-pickers as workers and facilitated the adoption of measures to improve working conditions and support services.¹¹

¹⁰ *ibid.*

¹¹ Report IV Achieving a just transition towards environmentally sustainable economies and societies for all, ILO, 2023
https://www.ilo.org/ilc/ILCSessions/111/reports/reports-to-the-conference/WCMS_876568/lang--en/index.htm

Poverty Eradication

The just transition is about poverty eradication and the Sustainable Development Goal of *Leaving No One Behind*. If trade unions want to be relevant in the future, they must advocate for improved working and living conditions through decent work for all workers, including the most precarious workers, in the green economy and beyond. California is an interesting case in this regard, where trade unions have entered into coalitions with the environmental justice movement to strengthen the social contract on decarbonization and making sure that low-income and working-class families do not disproportionately bear the costs of decarbonization.

Box 6. No trade union renewal without Freedom of Association and Collective Bargaining

For trade unions to be proactive in preparing for emerging and future challenges, it is vital that ILO Convention N^o. 87, on Freedom of Association and the Right of Collective Bargaining (1948) and the Convention N^o. 98 on the Right to Organize and Collective Bargaining (1949) are upheld. These ‘fundamental rights’ are prerequisites to all workers’ rights. For example, there is no meaningful wage or working time negotiations if unions cannot form their own organizations and bargain collectively.

ILO tools for trade unions

To assist unions in shaping a just transition, the ILO has now three important sets of tools: (i) the [ILO Guidelines for a just transition towards environmentally sustainable economies and societies for all](#), (ii) International Labour Standards, and (iii) the newly adopted [Conclusions concerning a just transition towards environmentally sustainable economies and societies for all](#).

The Guidelines provide practical guidance to governments, workers’ and employers’ organizations on how to formulate, implement and monitor the policy framework. It includes a list of nine policy areas that ought to be taken into account to ensure a successful just transition towards a green and socially just future. These are: macroeconomic and growth policies; industrial and sectoral policies; enterprise policies; skills development; occupational safety and health; social protection; active labour market policies; rights; and social dialogue and tripartism. Each of these policy areas can be addressed through International Labour Standards, which offer a robust, and legally binding framework for addressing the challenges associated with the greening of the economy and, more broadly, with the transition towards sustainable development and poverty eradication.¹² Whereas some labour standards can be directly linked with the issue of climate change, others apply indirectly.

Box 7. International Labour Standards and Supervisory Mechanism

Examples of standards directly linked to the just transition include the occupational safety and health conventions which are firmly grounded by the precautionary principle. For instance, ILO Convention N^o 148 on the Working Environment (Air Pollution, Noise and Vibration) (1977) specifically addresses the threat to human health posed by air pollution and

¹² I Resolution concerning sustainable development, decent work and green jobs LC 2013 conclusions: https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_223785.pdf

other environmentally harmful actions.¹³ Similarly, Recommendation N° 205 on Employment and Decent Work for Peace and Resilience (2017) provides guidance on generating employment and decent work for the purposes of prevention, recovery, peace and resilience with respect to crisis situations arising from conflicts and disasters, including crisis situations caused by climate change . It also advocates for response and recovery measures.

Other labour standards are more indirectly linked to the issue of climate change, for instance through good governance and public participation. ILO Convention N°. 87, on Freedom of Association and the Right of Collective Bargaining (1948) and the Convention N°. 98 on the Right to Organize and Collective Bargaining (1949) are Fundamental Conventions that should be respected in order to have democratic decision-making on climate change.¹⁴

Trade unions can mobilise the ILO supervisory system through observations submitted to the Committee of Experts on the Application of Conventions and Recommendations (CEACR) to assess the implications of environmental change for the application of ILS.

At the 2023 ILC, ILO Constituents formally endorsed the ILO Guidelines for a just transition. This is important since the Guidelines include a comprehensive policy framework and provide a clear definition of just transition. They also put emphasis on the importance of social dialogue as an integral part of policymaking and implementation, and this at all levels. The Guidelines also underscore that policies must respect, promote and realize fundamental principles and rights at work.

The Bureau for Workers' Activities (ACTRAV) has produced a [Users' manual to the ILO Guidelines](#) to help understand what the Guidelines are about, why they are important and how they can be used.

Conclusions and the way forward

There is an increasing awareness among trade unions that they need to be proactive in addressing the challenges and opportunities related to climate change and the just transition. There are many positive experiences and innovative practices from around the world, where trade unions have demonstrated their ability to address environmental change, and to advocate for a just transition where environmental change goes hand-in-hand with sustainable development and decent work. However, in many countries, workers' organizations are still struggling to be heard in climate fora.

A trade union agenda should develop around the following dimensions:

- (i) Thinking strategically about climate change and a just transition, and its impact on workers, workers' organizations, and the world of work per se
- (ii) Creating awareness among its members and the broader public around climate change impacts on the labour market, jobs and on workers

¹³ The Employment Effects of Climate Change and Climate Change Responses: A Role for International Labour Standards? Global Union Research Network, ILO, 2009 https://www.unclearn.org/wp-content/uploads/library/wcms_122181.pdf

¹⁴ Ibid.

- (iii) Being proactive in addressing challenges and opportunities related to the just transition in the world of work such as anticipating structural change and developing mitigating and adaptation measures for workers and their families
- (iv) Strengthening effective and inclusive social dialogue and collective bargaining at all policy levels to assure a just transition with decent working conditions. This ranges from greening jobs at the workplace level, advocating for an enabling legal and institutional environment and responsible public procurement at the national level, to involvement at the international level in the framework of the Sustainable Development Goals
- (v) Using ILO tools to guide and advocate for the development, implementation and monitoring of just transition policies through social dialogue at all levels, including in the framework of the Nationally Determined Contributions of the Paris Agreement (NDCs) Developing innovative collaborations, coalitions and campaigns among trade unions, broader civil society organizations, employers and other stakeholders
- (vi) Participating in climate change fora at different levels, including the annual Conference of the Parties (COPs) of the United Nations Framework Convention on Climate Change (UNFCCC), to advocate for workers' interests
- (vii) Catering to the needs of workers through innovative services to protect existing members, such as when employers decide to 'restructure' companies
- (viii) Proactively seeking to attract new members in emerging industries, such as the circular, blue and green economies.