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Trade Unions' Decarbonisation Dilemma

Unions can be torn between saving jobs today and mitigating climate change tomorrow. Public support for a just transition could ease that dilemma.

The transition to a low-carbon economy is one of the major challenges ahead. It also poses a particular challenge for trade unions which have to take a stance on this large-scale transition as it will inevitably reshape the economy, create and destroy jobs and affect working conditions and skills.

While various economic sectors, such as renewable energy and ecological construction, stand to gain from decarbonisation, others – such as energy-intensive industries and fossil fuel extraction and processing – are expected to lose out. For example, an estimated 160,000 direct jobs are set to be lost in the European coal sector by 2030, a sector employing nearly half a million people in direct and indirect activities¹. Although some energy-intensive industries will not be completely displaced, tighter environmental regulations may require changes in production, possibly affecting employment or leading to an offshoring of emission-intensive activities. Blast-furnace steel production could, for

instance, be relocated to countries with laxer emission constraints, a phenomenon known as carbon leakage.

No matter how unions respond, they may face criticism. If unions advocate ambitious mitigation of climate change, workers may turn against them because of potential job losses. Companies may also

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blame unions, as policies reducing emissions could lead to lower profits. If unions instead focus on safeguarding employment – possibly to the detriment of the environment – this may spark criticism from society at large. So how do unions deal with the challenge of decarbonisation and reconcile potentially diverging interests?

Three strategies

Most unions across the EU generally acknowledge the need to stem climate change and endorse the goal of decarbonising the economy. Their particular strategies are, however, marked by the dilemmas arising from concerns over job losses. Our recent research has identified three union approaches towards emissions-reduction policies in manufacturing and power generation: opposition, hedging and support². These approaches are best conceived as “ideal types” – not necessarily expressed in a pure form in reality, but rather points on a spectrum.

Strategies opposing climate-change mitigation see unions openly rejecting

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emissions-reduction policies in the industries they represent. To the best of our knowledge, the only example of such outright opposition would be the Polish coal miners' unions, which seek to preserve jobs, argue in favour of national energy "sovereignty" and deny the scientific consensus on climate change.

Hedging strategies are adopted by unions that do not deny the need to mitigate climate change, but seek to minimise (rather than oppose) regulation, advocate incremental approaches and construct a dichotomy between the competing priorities of employment and environmental protection. An example is the position of the steelworkers' unions affiliated to the European trade union federation IndustriAll Europe over the latest reform of the EU emissions-trading system, a carbon cap-and-trade scheme that sets binding emission reduction targets for industrial facilities and power plants. A similar response could be observed among unions representing car workers, dealing with new EU-wide CO₂ emission standards for cars and vans. Without questioning the general need to reduce emissions in the transport sector, major unions, together with the car industry, consistently advocated lower CO₂ reduction targets than those ultimately adopted by the EU in January 2019. Hedging strategies seem to be the most widespread ones to date.

Support strategies are adopted by unions with a proactive approach to decarbonisation. An example is the 2017 statement on a just energy transition signed by employer and union participants in the European social dialogue in the energy sector (Eurelectric, European Federation of Public Service Unions (EPSU) and IndustriAll Europe). Although not legally binding, the statement includes recommendations on company policies, focusing on skills development, reskilling and job creation, and calls for additional public investment in a just transition³.

The challenge unions face

These different strategies reflect the challenge unions face. As climate-change mitigation is a relatively new topic on which unions are just about to build expertise,

their strategies are not necessarily based on an exhaustive analysis of circumstances and evaluation of all the options, but are likely to be influenced by short-term perceptions and established modes of organisational priority-setting. Unions should, however, adopt a long-term perspective.

The transition towards a low-carbon economy will inevitably happen and how unions position themselves may represent an opportunity as well as a threat. Unions

have the opportunity to present themselves as responsible actors proactively shaping the transition and contributing to making it a just one. Such a response could raise public awareness of the broader role of unions in society and help recruit new members in the expanding green economy.

By strengthening ties with environmental NGOs and developing a broader notion of their purpose than sole employment, working conditions and pay-related issues,



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unions may strengthen their capacity to address the policy issues involved in climate change. By increasing their expertise in environmental policies, unions could also develop innovative policy proposals in the field of sustainable industrial strategies.

Unions have to continuously arbitrate between different interests and bargaining objectives. This may also involve weighing up the interests of union members in carbon-intensive activities and of those working in low-carbon activities. There is a danger that established groups of members adversely affected by decarbonisation could turn away from unions, which explains the importance the European Trade Union Confederation (ETUC) assigned

to the Just Transition Fund within the EU recovery plan, Next Generation EU.

A political commitment by European leaders and lawmakers to provide substantial support towards funding just transition measures would represent a resource for those within the union movement willing to address the challenges of climate change. Strong public support for mitigating the possible adverse employment consequences of decarbonisation would make it easier for unions to strike a balance between employment and climate concerns.

This article is an extended version of a contribution originally posted on the *Social Europe* blog (www.socialeurope.eu). ♦

- 1 Patricia Alves Dias/Konstantinos Kanellopoulos/Hrvoje Medarac et al., *EU Coal Regions: Opportunities and Challenges Ahead*, Luxembourg, Publications Office of the European Union, 2018.
- 2 Thomas Adrien/Dörflinger Nadja, "Trade union strategies on climate change mitigation: Between opposition, hedging and support", in: *European Journal of Industrial Relations*, 26(4) (2020), p. 383-399.
- 3 <https://tinyurl.com/y7uaj3sn> (accessed 14 December 2020).