

Lesson 5



**GROWTH THROUGH
TRANSFORMATIONAL CHANGES**
in the industrial sector influenced by the EU Green Deal and digitalization and
oactive participation of workers in restructuring the changing working environment

Bargaining and collective bargaining in the context of a dual transition



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In the fifth lesson, we will focus on how the dual transition can engage trade unions and employers' organisations to create new opportunities for the world of work and companies, as well as how to minimise the social costs that it undoubtedly entails.

As a reminder: the dual transition consists of a green and a digital transition. In my opinion, it cannot happen without social dialogue and the interaction of workers and employers – both at the workplace level and at other levels that determine the shape of labour relations. At each of these levels, socio-economic models affect the environment and the working environment. They should, in their design, strive for sustainable development. The social dialogue mechanisms that exist in the European Union should be at the heart of the green and digital transition. They should be integrated with the goals of greening the economy, the implementation of the Sustainable Development Goals and the European Green Deal together with a just transition, as well as the European Union's digitalisation policies, which we have discussed in previous lessons.

However, ambitious climate and digital targets cannot be introduced top-down by states or international organisations. On the contrary, they should be set in dialogue with the social partners and then jointly implemented and monitored with them. What is crucial is broad public support for the changes to be made, which states, and international organisations should seek. This support will be possible if the transition is inclusive – especially of vulnerable groups and those most affected by change.

It will not succeed in gaining widespread public support if it does not secure the dignity and social development opportunities of different groups – especially vulnerable groups – in the new reality of a green and digital socio-economic order. This governance should not only be based on the principles expressed in the European Green Deal and the European Digital Strategy, but the signpost set by the European Pillar of Social Rights should also be embedded in its construction¹.

On 28–29 October 2020, the European Trade Union Confederation adopted a resolution² with recommendations to shape the European Union's new climate change adaptation strategy, which is part of the European Green Deal. The resolution contains the most relevant issues for the inclusion of social dialogue mechanisms in shaping the green economy in the European Union. The most important recommendations are contained in the following points:

- 1 The assumptions of the European Pillar of Social Rights can be found at the following link: https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles_en
- 2 The full text of the resolution can be found at the following link: <https://www.etuc.org/en/document/etuc-resolution-new-eu-adaptation-climate-change-strategy-world-work>

- the European Union’s new climate change adaptation strategy (hereafter referred to as the Strategy) should be legally binding and should also include extensive reference to the social dimension expressed in the **principle: ‘people at the centre.’** The world of work and the impact that climate change will have on working conditions and employment have so far not been sufficiently addressed in adaptation policies. A new adaptation strategy should fill this existing gap;
- the new EU adaptation strategy should provide for a strong and **inclusive management approach that involves workers and trade unions.** Workers are best placed to identify the challenges and risks that climate change poses to their work. They should therefore be involved in the design and implementation of adaptation policies **at all levels – including workplace level.** Special attention should also be paid to ensuring **gender equality** in both governance and policy measures, as well as supporting other vulnerable communities;
- the new EU adaptation strategy should include **concrete policy measures that maintain jobs and protect workers’ health and safety.** A new legislative initiative and policy framework should be put in place to **protect workers from exposure to heat, natural UV radiation and other health and safety risks from climate change and other adaptation measures.** The strategy should also include active labour market policies as well as **retraining and training** to prevent job losses;
- the new EU adaptation strategy should ensure sufficient **investment in public services and infrastructure,** as well as in functioning and inclusive **social security systems.** Emergency workers and social protection mechanisms will be key to dealing with future crises and increasing the resilience of our societies; they should be adequately funded. These investments should be accompanied by new resources to **protect the environment, biodiversity, and vulnerable geographical areas.**
- the new EU adaptation strategy should increase the EU’s ambition **to work with emerging countries on financing and developing adaptation solutions.** Making full use of its diplomatic influence, the EU should pave the way in international negotiations to both increase global climate ambition and make progress on climate change adaptation;
- the EU’s new adaptation strategy should ensure that there is a clear **recognition of the impacts that climate change will have on industrial supply chains, as well as on energy production.**

In June 2024, the European Trade Union Confederation adopted a further position paper on the „**A Just Transition Policy Framework and Directive to Anticipate and Manage Change**”³. In it, one can read that the ETUC fully supports the goal of achieving climate neutrality by 2050. At the same time, it points out that Europe is failing to achieve a socially just transition on a scale and at a pace commensurate with existing needs. The European Green Deal and other national

3 <https://www.etuc.org/en/document/just-transition-policy-framework-and-directive-anticipate-and-manage-change>

measures outside the European Union are inadequate to the scale of the challenges we face. To adequately anticipate and manage change in the world of work, it is also necessary to plan for the impact of the ongoing and intensifying digital transition. A large part of this position paper is also devoted to the issue of social dialogue and collective bargaining.

The European Trade Union Confederation points out that previous efforts to **involve trade unions in transition planning** have too often been absent or insufficient. ETUC urges the European Commission to ensure the meaningful and systematic involvement of the social partners in climate and digital issues at EU, national and regional levels, to effectively address the aforementioned challenges and include workers as active participants in the transition. Too often, trade unionised workers are invited to comment on plans that have already been set. Social dialogue with democratic trade union involvement, collective bargaining and worker participation at company level should be the basis of transition. Strategies at different levels must be developed, implemented, and monitored. This should be enforced by staggering public funding and making it conditional on social aspects. Greater administrative capacity and legal resources are also needed.

It is also recommended to re-engage the social partners in managing the implementation of the European Green Deal within existing social dialogue structures such as the Tripartite Social Summit or the sectoral social dialogue committees. Social partners should be involved in all new initiatives implying labour market and structural changes through a structured and systematic dialogue. A permanent coordination mechanism should also be set up linking the Fit for 55 package with the European Semester process and the European Pillar of Social Rights. Building the capacity of trade unions and their representatives on climate and digital issues is essential for a just transition.

All of the above arguments speak in favour of prioritising the updating of the **policy framework for a just transition**. Furthermore, the European Trade Union Confederation calls on the European Commission to establish a **European directive on a just transition** by anticipating and managing change, with social dialogue and collective bargaining as guiding principles. The social and labour aspects of transition must be combined. Trade unions play a key role in developing, implementing, and monitoring each of these aspects. The rapidly evolving digital transition further underlines the urgency of this work.

Employee democracy mechanisms

In the closing section of this guide, it is important to recall the existing social dialogue mechanisms that can be used in shaping European Green Deal policies and implementing Green Economy principles at different levels – including at the level of specific workplaces. The table below provides a well-known catalogue of these mechanisms. However, it is worth compiling them in one place to make employees and employers aware of the instruments they can use to achieve their goals. At the same time, the catalogue below is a list of employee-engaged democracy mechanisms or, more simply, employee democracy mechanisms.

Level	Mechanisms
Global	<ul style="list-style-type: none"> • Organising social partners at the global level, sharing information, coordinating experiences and global action on issues at this level (i.e. climate crisis, social inequality, pandemic) • Implementation of global programmes such as the Sustainable Development Goals
European Union	<ul style="list-style-type: none"> • Framework agreements on green economy, human resource management, training policy, lifelong learning • EU legislation consulted with European social partners e.g.: European Green Deal and Principles for a Just Transition • Open Method of Coordination including the voice of the social partners • Research and capacity building projects at EU level for the social partners
Countries and their regions	<ul style="list-style-type: none"> • Tripartite social dialogue bodies • Regional bodies for social dialogue • National thematic councils (for the green economy, for sustainable development, for a just transition, etc.) • National and regional collective agreements • Economic, climate and environmental policies consulted and implemented in cooperation with social partners
Sectors	<ul style="list-style-type: none"> • Sectoral social dialogue committees • Sectoral collective agreements
Companies	<ul style="list-style-type: none"> • <i>Board level employee representation, BLER</i>) – especially in multinational corporations • European Works Councils (EWCs) • Collective agreements at company level • Transnational company agreements, TCA • Health and safety agreements • Framework agreements on human resources policy, training, lifelong learning, etc.

Trade unions/ employers' organisations	<ul style="list-style-type: none">• Collective bargaining and collective agreements• Publication of positions and statements• Organisation of conferences and seminars• Training• Research and evaluation• Dissemination of knowledge about the green economy, sustainable development, and a just transition (publications, brochures, leaflets, websites, social media, media, and public speeches, etc.)
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