



TRADE UNION ADVISORY COMMITTEE
TO THE ORGANISATION FOR ECONOMIC
COOPERATION AND DEVELOPMENT
COMMISSION SYNDICALE CONSULTATIVE
AUPRÈS DE L'ORGANISATION DE COOPÉRATION
ET DE DÉVELOPPEMENT ÉCONOMIQUES

Meeting of the Environment Policy Committee at Ministerial Level

29th – 30th March 2012

Choosing environmental policies

TUAC concurs with the *OECD Environmental Strategy for the First Decade of the 21st Century*, that 'there is an urgent need for more ambitious policies to tackle environmental pressures. But such policies will only be acceptable and effective if they demonstrate that they take full account of economic and social considerations'. Environmental policies should not only be designed according to cost-effectiveness criteria. Environmental policies need to be considered in light of their distributional and equity impacts and their social and economic co-benefits.

TUAC calls for environmental policies that benefit those most negatively affected by the crisis, policies that reduce inequalities (see 'Divided We Stand: Why Inequality Keeps Rising' OECD December 2011) and policies that change the current economic paradigm to make it more socially and environmentally sustainable. Integrating environmental policies in a paradigm shift is key to raise political momentum, ambition and effectiveness. In addition, reducing inequalities is compatible with reducing environmental pressures. Half the world's carbon emissions are produced by just 11% of its people and providing electricity to the 19% of people who currently have none would raise global carbon emissions by just 1%. It is extreme poverty, just like extreme wealth, that damages the environment.

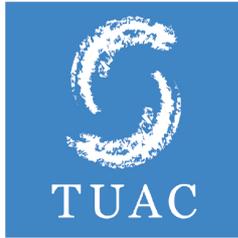
The participation and involvement of working families through trade unions and civil society organizations are also critical. It guarantees social acceptance, reduces political barriers and ensures long-term sustainability.

Ex: Carbon taxation in Australia

The Australian Council of Trade Unions (ACTU) supported the recent carbon pricing policies. The package of household compensation and industry support negotiated by unions enabled households and jobs to adjust in a just manner.

Green Jobs

Governments must recognise the opportunities that exist for creating decent jobs and building sustainable growth from the greening of economies. Such opportunities exist across advanced, emerging and developing economies in a range of sectors including power generation, energy efficiency and retrofitting and public transportation. Realising this potential requires immediate and



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significant investment, which in turn will help build the confidence of workers that new jobs will be secured and that the transition to a more sustainable economy will be just.

Governments must implement labour market policies for workers to adapt to the green economy and to provide job opportunities to the most affected by the crisis (women, long-term unemployed, youth, etc). The current period is one of rapid economic change. Past periods of rapid economic change, including past recessions, have shown that they have led to major changes in capital and economic structures. The labour force needs to come out of the crisis fully equipped for this major change, with the skills to get the most out of new opportunities. OECD recommendations should include ambitious re-skilling, social dialogue and social protection mechanisms and not labour market flexibility.

Ex: Green Jobs in Denmark

In 2009, the Lindoe shipyard was no longer able to compete on the international market. The shipyard was transformed into an offshore research center. More than 1000 green jobs will be created thanks to this transformation.

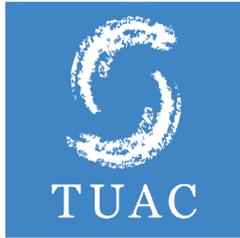
International Labour Organisation Study `Skills for Green Jobs` (2011)

Ideally, mechanisms for workforce restructuring are incorporated in the overall system of active labour market measures, including retraining, and based on an established labour market information system. This assumes, however, the presence of social protection mechanisms, public employment services and institutional mechanisms for social dialogue. (p.93)

In preparation for Rio+20, the OECD should start working with its member states to set country-defined commitments on targets for decent and green jobs creation to be reached in the next 5-10 years, with accompanying decent work policies. The OECD could also elaborate indicators to measure the implementation of the Social Protection Floor Initiative in developing countries and the improvement of current social protection systems in OECD countries.

Funding environmental policies

In most OECD countries, governments have limited resources to implement environmental policies. Hence why the OECD should recommend policies and reforms to raise government revenues (Financial Transactions Tax, progressive taxation, etc) and improve, regulate and stabilize the banking system. Financial and fiscal reforms can lead to ambitious environmental policies that create decent jobs and reduce poverty and inequalities.



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TUAC takes the view that the OECD recommendations to shift the tax burden from capital and labour to the environment must be treated with care. Adequate funding of social protection requires both contributory elements and non-contributory elements with the exact balance depending on national circumstances. Adequate funding must be maintained at a time when social protection is an essential component of the just transition to a greener economy.

TUAC main demands

- Ambitious environmental policies that benefit those most negatively affected by the crisis, that reduce inequalities and change the current economic paradigm to make it more socially and environmentally sustainable
- The participation and involvement of working families through trade unions and civil society organizations in environmental decision-making
- A green economy that creates decent green jobs thanks to investments, ambitious re-skilling, social dialogue and social protection mechanisms
- Financial and fiscal reforms (ex: Financial Transactions Tax) to fund ambitious environmental and social policies

For more information on TUAC's work on environmental issues, please send an e-mail to: tuac@tuac.org