

# Developing the job potential of a new sustainable economy

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The European Parliament adopted a resolution on developing the job potential of a new sustainable economy. It notes that long-term job insecurity has developed in the EU labour market over the last two decades, with young people especially tending increasingly to work on short-term contracts with poorer working conditions. New jobs created under these circumstances cannot be regarded as sustainable, and these structural deficiencies need to be addressed in the context of seeking to develop the job potential of a new sustainable economy.

**Job strategy for a new sustainable economy:** Members draw attention to the potential represented by the creation of ‘green jobs’ in a sustainable economy. The transformation of European economies from polluting to eco-efficient economies will lead to profound changes in production, distribution and consumption, which should be used as a chance to move towards true sustainability without endangering prosperity or jobs. Parliament considers that the current global crisis, which has slowed down changes in energy use and reductions in carbon emissions, should **not deter Member States from making the transition** towards a more sustainable economy, given that this will make them more resilient, less dependent on increasingly expensive imports and more competitive. It also believes that more should be done to **internalise external costs**, and it calls on the Commission to use existing policy tools – or develop new tools if necessary – to attribute costs, and to ensure that future policy proposals reflect its findings.

Members state that they support the Commission's flagship initiative under the Europe 2020 strategy, but regret that the Commission **misses the opportunity to address the labour market potential of a sustainable economy**. In order to reach the EU 2020 strategy's employment targets and use the job potential of a new sustainable economy, there is a need to increase the energy efficiency of housing and construction, the share of renewable energies, environment technologies, sustainable transport and mobility, sustainable agriculture, forestry and fishery and advice through environmental services, as well as recycling, low-resource production processes and closed-loop material cycles. The service sector and the social economy sector also bear considerable green employment potential. Members stress the importance of the public sector leading by example, adopting progressive procurement standards and providing incentives and information. They call for the inclusion of environmental and social standards, in addition to promoting local content clauses and enterprises operating in a sustainable and inclusive economy, especially SMEs.

**Optimising employment potential:** Parliament calls for the development of a **European job strategy for a sustainable economy as part of the EU 2020 strategy**, aiming at optimising job potential whilst paying special attention to decent work, employees' health and safety, skills needs and a socially just transition. It recommends that the regional authorities adopt development strategies in line with the objectives of the EU 2020 Strategy with the aim of creating new jobs. The Commission is asked to propose, by 2011, **a strategy including legislative and non-legislative measures to encourage green jobs** that are a source of growth and prosperity for all. A stable, long-term, ambitious regulatory framework is a prerequisite for achieving the full potential of green employment. The resolution calls on the Commission and Member States to determine environmental standards and financial incentives creating reliable framework conditions for at least 10 years, and thereby creating legal and planning certainty. Existing financial instruments should be used to promote sustainability and increasing sustainability of economic activity should be inserted into the financial perspective of various funds, including the Structural Funds and the Cohesion Fund.

**Job potential for women and men in the new sustainable economy:** Members stress that only by raising female participation in the European labour market can we fully utilise the growth potential in the new economy, since narrowing the gap between male and female employment rates has accounted for half the increase in Europe's overall employment rate and a quarter of annual economic growth since 1995. They call for an EU initiative to raise awareness among employers, especially in traditionally male-dominated sectors, of the need for, and benefits of, a more diverse workforce in an ageing society and to offer them tools with which to prepare for more diversity. The resolution goes on to call for higher priority to green jobs for women in the context of European Social Fund (ESF) programmes. Greater efforts are needed to increase the rate of female participation in EFS-supported projects, which is currently below 10%. Members call for the introduction of gender budgeting in the ESF as well as in recovery plans and structural adjustment programmes to ensure that such programmes attract and integrate women equally.

**Decent work:** Members call on the Commission, over and above the job potential for highly qualified employees, to pay special attention to the many jobs in the middle and lower qualification bands in the sustainable economy, as well as unskilled but specialised workers. Particular account of this must be taken in the Employment Policy Guidelines. Member States are asked to enhance the status of jobs in the middle and lower training bands and to ensure decent work in those jobs. Parliament notes that, owing to the often lower level of organisation of employees and of employers in some new sectors, there is a risk of precarious employment relationships and poor working conditions, and it calls for new framework conditions for establishing representative bodies in new sectors. It also calls on the Commission to incorporate a ninth key competence relating to the environment, climate change and sustainable development into the framework for lifelong learning.

**Facing skills needs:** Members welcome the Commission's 'New Skills for New Jobs' initiative but point out that this initiative must be more closely linked to the objectives of the Council Decision on sustainable development and taken further with tangible measures both at EU level and in the EU Member States. They call on the EU to adopt detailed policies on innovation and creativity, in particular on education and training as a basis for a green economy. The resolution notes that it is essential to attract young people to the new type of green jobs and to ensure that skill programmes promote the access of young people to the labour-market. It regrets the fact that the EU 2020 flagship initiative "Youth on the move" excludes young people who are not involved in higher education. In order to make a real change, it needs to focus on the young people that have now the least opportunities and are at risk of poverty. Parliament stresses the need to draw up medium- and long-term forecasts regarding the skills required by the employment market and to **encourage partnerships between universities and the business sector** in order to foster the transition of young people to the employment market.

**Socially fair change:** Members note that increasing sustainability of economic activities may involve changes in whole industrial sectors. They call on the EU and the Member States to take care to avoid social sacrifices in moving to a sustainable economy and to work towards framework conditions for a socially fair transformation which minimises the risks of change and optimises gains for all employees. The costs of a lack of transformation management may be many times higher than anticipatory investments, and the Commission, Member States and the social partners are asked to confront the responsibilities of preventive transformation management together. Parliament port calls on the Commission to provide **EU-level support for research into the careers of the future** so as to prevent redundancies and retain jobs in the EU. Members emphasise that, in order for transition to be socially just, workers should have a participative partnership role to play in the process, and they call for the involvement of employees' representatives in charge of greening the workplace.

Lastly, Parliament calls on the Commission and the Member States to launch information and public awareness campaigns on developing green jobs in a sustainable economy.