

Job creation: just transition and impact investment

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The Committee on Employment and Social Affairs adopted the own-initiative report by Sara MATTHIEU (Greens/EFA, BE) on job creation - the just transition and impact investments.

The report noted that the green transition, if well managed and sufficiently supported, will greatly expand economic activities related to renewable energy, energy efficiency and the circular economy, while transforming other economic activities and their potential for sustainable growth. The just transition means greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind.

The report focuses on the following areas:

Green economy and employment opportunities for the labour market

Members emphasised that a transition towards sustainable, renewable and circular economies and societies generates the potential both to create significant numbers of new jobs and to transform existing employment into green and sustainable jobs in most sectors. The report highlighted the importance of the necessary investments and streamlined procedures, as well as the involvement of small and medium-sized enterprises (SMEs).

Member States are called on to develop regional strategies to prevent structural unemployment and the deterioration of social cohesion. EU regions should be supported to retain and attract people through investments in local and regional infrastructure and education, training and adult learning. In this context, the importance of the efficient and targeted deployment of EU funds, in particular Cohesion programmes, the ESF+, the Just Transition Fund and the Recovery and Resilience Facility (RRF) is stressed.

Conceptual guidelines should be developed with a view to establishing a common EU definition of what constitutes a quality green job.

Decent work for a just transition

The report stressed that the transition must benefit both current workers, who are undergoing significant changes in their work tasks, and displaced workers, who are transitioning to new jobs, by ensuring decent working conditions for all. The green transition of the job market should go hand in hand with upward social convergence towards better working conditions, more stable employment and attractive career paths and quality jobs, including stronger collective bargaining, decent wages and good physical and mental health, not least through health and safety at work.

The Commission should propose an EU framework on maximum working temperatures, including the interruption, reduction or reorganisation of working time and longer breaks above certain temperatures, the obligation to set up effective ventilation systems for indoor working, mandatory protective equipment and compensation for working hours lost due to extreme weather events, with the support of national social security systems.

Public policy coherence to fully develop the job potential of the green transition

Members stressed that environmental, social and employment legislation must be approached in a holistic manner to ensure a just transition.

The Commission is called on to:

- ensure diligent and comprehensive impact assessments for all proposed legislation;
- reinforce the European instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE) to support short-time work schemes, workers' income and workers who would be temporarily laid off in the context of the green transition;
- issue country-specific recommendations that contribute to job creation, higher employment and smaller ecological footprints, including the phasing out of counterproductive subsidies competing with green and social investments.

Both the Commission and the Member States are called on to lay the foundations for the development of green social protection schemes at national level with EU funding support, in order to strengthen social resilience against the impacts of climate change and environmental degradation by addressing the side effects of green policies on jobs and living conditions.

Investing in sustainable job creation: the role of investment

The report recognises the importance of facilitating access to funding for public and private companies and organisations addressing social, environmental and educational needs in order to address skills gaps with the explicit expectation of a measurable social and environmental return, including on employment and quality job creation. In this regard, the Commission and the Member States are called on to promote an enabling environment and support the role of cooperatives and the social economy in the just transition, in order to generate decent work, productive employment and improved living conditions for all.

Members called for the swift creation of a European sovereignty fund with newly allocated EU money to mobilise large-scale investments in green technology.