



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 18 November 2010**

**16514/10**

**SOC 777  
ENV 786  
ECOFIN 743  
EDUC 206**

**NOTE**

---

from: The Employment Committee  
to: Permanent Representatives Committee (Part I) / Council (EPSCO)  
Subject: **The Employment dimension of tackling environmental challenges  
- EMCO Opinion**

---

Delegations will find attached an Opinion by the Employment Committee, as finalised by the EMCO on 10 November 2010 and presented with a view to the session of the Council (EPSCO) on 6 December 2010.



# The Employment Committee

## The Employment dimension of tackling environmental challenges

### EMCO OPINION

Climate change has become a major policy concern, both at national, EU and international level. Along with other major challenges which the labour market is facing - including ageing, globalisation and technological innovation – climate change has a potential impact on the restructuring of the economy, and thus on the labour market. This change will have important consequences for the quantity, distribution and quality of jobs, and for labour market transitions in general.

Europe is at the forefront of initiatives to green the economy. However, implementing the Europe 2020 objective of "sustainable growth" will require further efforts to influence consumption, production practices and habits, and therefore to improve energy efficiency, reduce greenhouse gas emissions, and to develop renewable energy sources. It also necessitates modernising the European infrastructure, promoting environmental friendly land use and agriculture, and creating conditions conducive to environment-related research and innovation. These efforts can create opportunities for new jobs, which can only be exploited to their fullest extent if environmental, economic, education and employment policies are fully consistent with each other and mutually reinforcing.

The Committee endorses the report of its Working Group on the employment dimension of tackling climate change<sup>1</sup> and, accordingly, takes a broad policy-based approach on employment and environmental change, acknowledging the complex inter-linkages between environmental sustainability on the one hand, and labour markets on the other hand.

---

<sup>1</sup> See EMCO report on 'Towards a greener labour market - The employment dimension of tackling environmental challenges' (doc. 16514/10 ADD 1)

## **Climate change impacts on the labour market**

Policies aimed at greening the economy imply a substantial degree of labour reallocation. This will require appropriate labour market policies that address mismatches between the demand and supply of employment and skills, facilitate transitions, and foster the creation of jobs. Job creation due to climate change can be expected to have a more pronounced impact in specific sectors and areas.

However, the most important impact of climate change on employment is likely to be a substantial redistribution and reallocation of jobs between sectors, as well as within sectors. It is also expected that the employment impact of green growth will be uneven across geographical areas: localities that have specialised in what will become declining sectors will face the challenge of developing new specialisations. However, green growth will also provide new opportunities for local economic development initiatives. In this context, employment services will be required to support the reallocation of workers and, together with education and training providers, to foster the acquisition of new skills. Furthermore, moving to a greener economy will have an impact on different dimensions of job quality.

## **Implications for policy formulation**

The greening of the European economy might lead to an increasing number of labour market transitions, underscoring the importance of stable and clear rules and policies. Ensuring that these transitions pay<sup>2</sup> is key to guarantee that sustainable and inclusive growth go hand in hand: policies should be put in place to make sure that closing down environmentally harmful activities is not only a step forward for the environment, but also provides people with new perspectives for their professional career. The greening of the economy should also be used as an opportunity to increase labour market participation of women and to improve gender equality. The necessity to green our economy is an extraordinary opportunity to accelerate labour market structural reforms, especially:

---

<sup>2</sup> See also EMCO opinion on “Making transitions pay” (doc. 14479/10)

- Eliminating barriers to professional and geographical mobility at both national and European levels;
- Reinforcing the capacity to forecast skills needs and analyse labour market and skills trends at national and European levels;
- Strengthening basic and generic skills as a foundation for successful transitions to greener employment;
- Skilling, re-skilling and up-skilling the entire workforce, through a substantial investment in effective and accessible lifelong learning opportunities and training for teachers and trainers;
- Attracting more young people, especially young women, to study STEM subjects (science, technology, engineering and mathematics);
- Ensuring effective and efficient active labour market policies, in particular for disadvantaged groups;
- Ensuring proper skills matching through career services and improved vacancy capture involving both public and private employment services, to smoothen transitions to greener sectors and jobs;
- Reinforcing health and safety conditions at work.

Research and development, innovation and competitiveness, are key to seizing the full labour market potential of a greener economy. In this context, the creation of enterprises could be facilitated by limiting the administrative burden and reducing start-up regulation.

Employment policies can also contribute to mitigate environmental change by encouraging greener production methods, greener work practices, greener transport and commuting.

Raising public awareness to shape consumer demand, and the acceptance of greener technologies and policies, will also have an effect upon the pace and quality of change.

### **Tools to analyse the impact on labour markets**

The analysis and assessment of the labour market impacts of greening the economy requires quality indicators. The Committee endorses the indicators framework on employment and environment that has been established by the Working Group and the Indicators Group. It welcomes the indicators on green jobs, green skills, green workplaces, green transitions, green labour markets and green growth, and the thematic key indicators for climate change policies. The Committee notes that the framework has identified areas for further development in light of the lack of high quality indicators.

Given the complexity of the inter-linkages between the labour markets and environmental policies, there is also a need to develop quantitative modelling tools that allow for better analysis of the labour market impacts at the European Union and Member States level.

### **Advancing the “green jobs” agenda: concluding remarks**

The full potential of the European Employment Strategy instruments should be used to make sure that “green jobs” is more than a slogan in the decade to come. The involvement of all stakeholders at European, national, regional and local level is paramount to ensure that the EU headline employment rate target is coupled with the goal of a more sustainable economy. The role of social dialogue and of enterprises of all sizes in promoting green growth, including through Corporate Social Responsibility, should be underlined. The Mutual Learning Programme provides the appropriate forum for a thorough policy exchange in this domain.

The Committee invites the Commission to present the results of past, current and future mutual learning exchanges in the field of “green jobs”. The compilation and dissemination of Member State policies in this area, as well as documentation by other key institutions, could usefully be made available.

The Committee recommends the use of the indicators framework on employment and environment, and is committed to explore the possibility of including its results in the Joint Assessment Framework for Europe 2020 to ensure a well designed monitoring of reform measures aiming at addressing the employment aspects of climate change within the context of the strategy. The Committee also calls upon the Commission to intensify its work to improve the availability of comparable high quality data in this area – paying particular attention to the need for developing measures that encompass environmental sustainability better than GDP<sup>3</sup>.

The Committee also advises the Council, where appropriate, to adopt country-specific recommendations as referred in art.148<sup>o</sup>TFEU, which encourage Member States to tackle – on the basis of the employment guidelines – their respective challenges to greening their labour markets.

---

---

<sup>3</sup> COM(2009) 433 final