



*Employment and
Social Developments in Europe*

Sustainable growth for all:

*choices for the future of
Social Europe*

Thematic session 3
**Mitigating social impacts of
climate action**

27 September 2019, Brussels
#ESDE2019

Social Europe

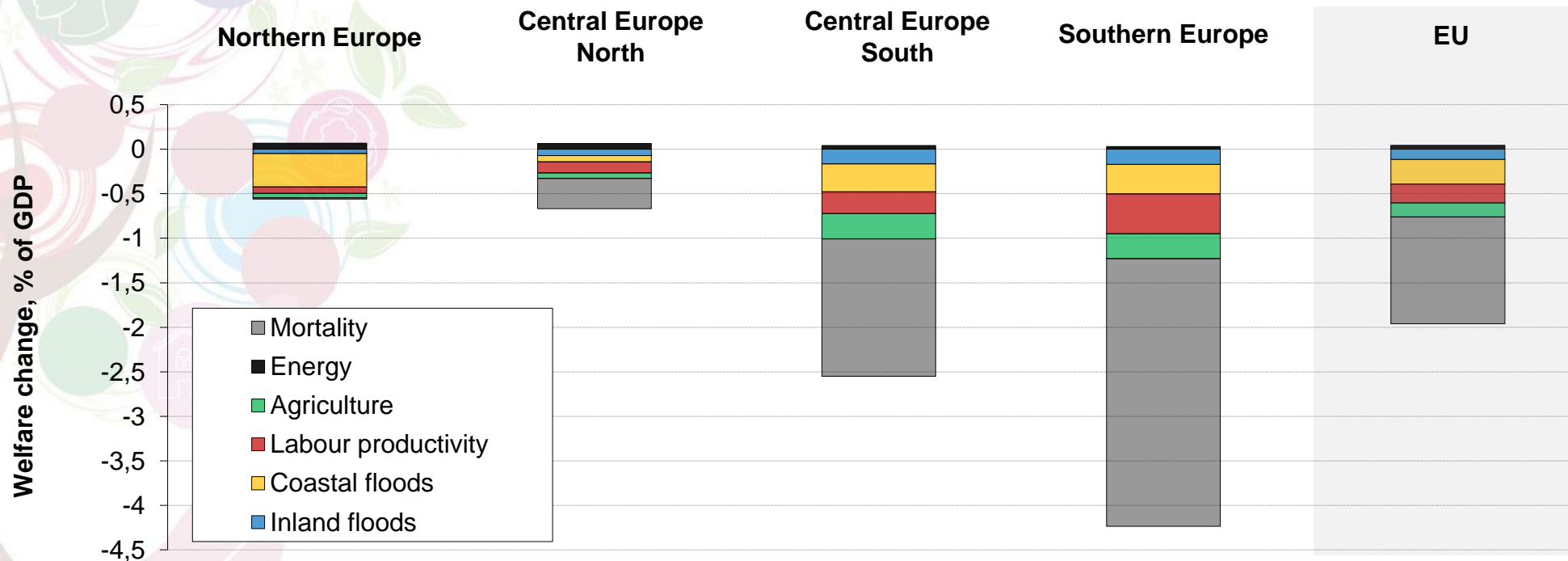
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Socio-economic costs of climate inaction in the EU (long-term impact on GDP, high (>3°C) warming scenario)



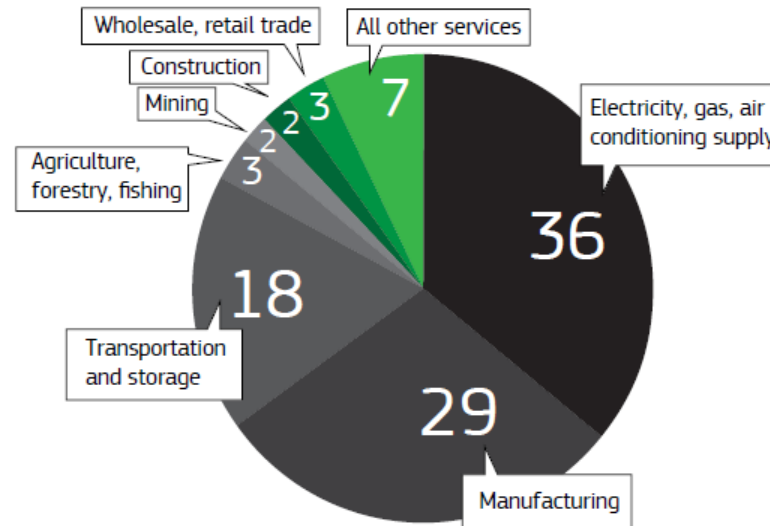
Source: In % of GDP; PESETA III studies, JRC (2018)



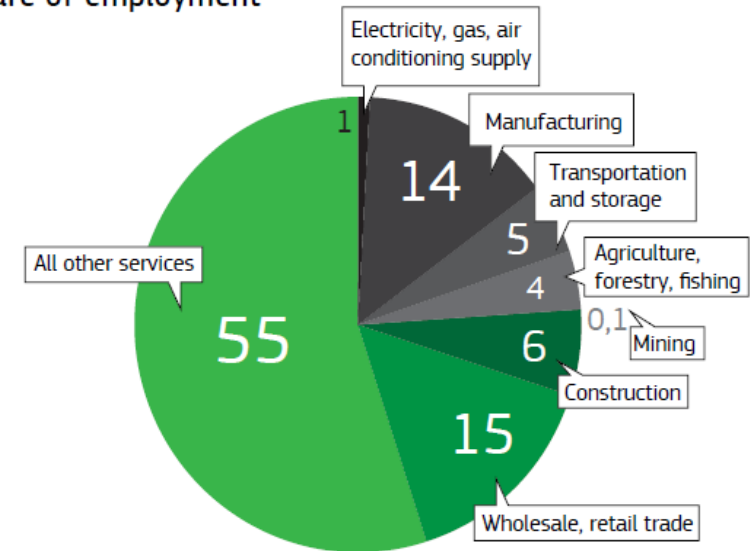
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More than 75% of jobs are in sectors that emit less and grow faster

Share of emissions



Share of employment



■ Higher CO2 emission sector ■ Lower CO2 emission sector

Source: Eurostat and calculations by Bowen and Hancké (forthcoming).
Employment and emissions in % of total





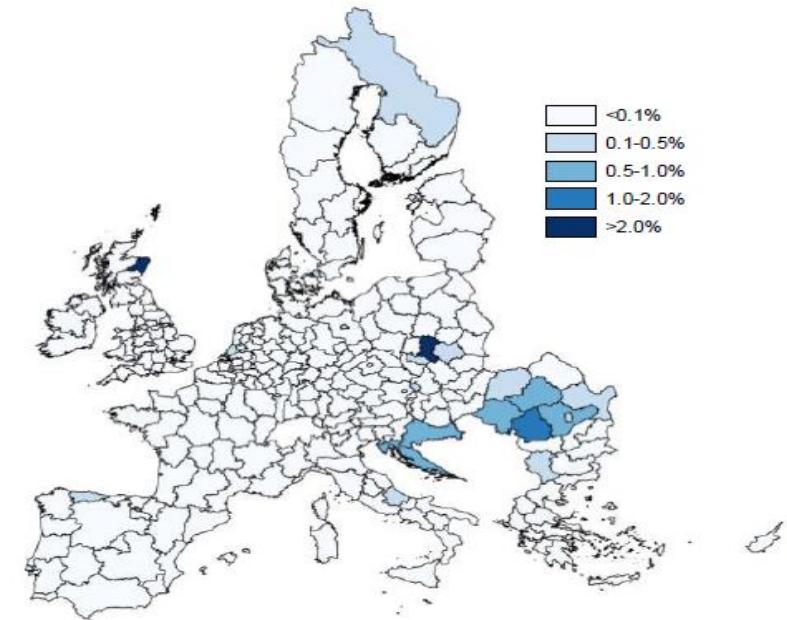
Climate action creates jobs, with labour reallocation and concentrated job losses...

Employment implications in the EU at sectoral level, 2030
Deviation from the baseline in % and thousands of employees

Sector	percent	thousands
Agriculture	0,5	40
Mining	-16,6	-93
Manufacturing	0,7	209
Utilities	-2,4	-72
Construction	1,1	160
Distribution, retail, hotels, catering	0,6	305
Transport, communications	0,5	64
Business services	0,7	473
Non-business services	0,3	142
Total	0,5	1228

Source: Eurofound (2019)

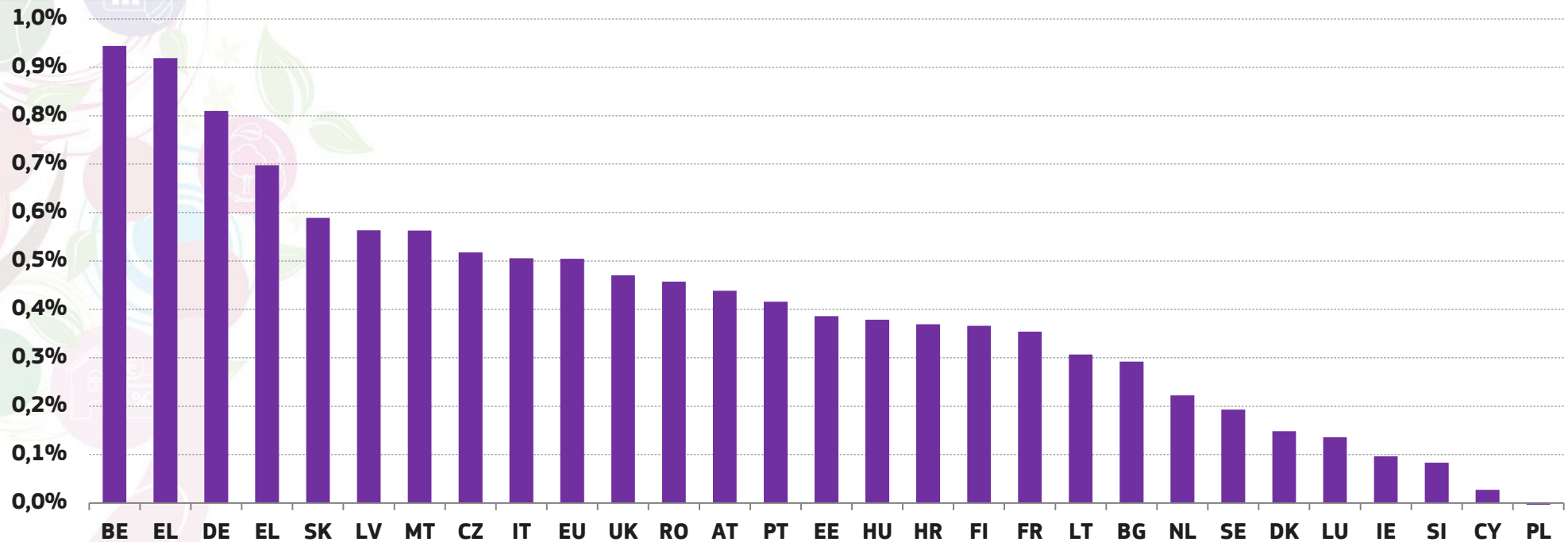
Share of employment
fossil fuel extraction and mining



Source: European Commission (2018)



... but varies across countries ...



Source: Eurofound (2019); Note: Employment growth by 2030 compared to baseline, in % of total employment

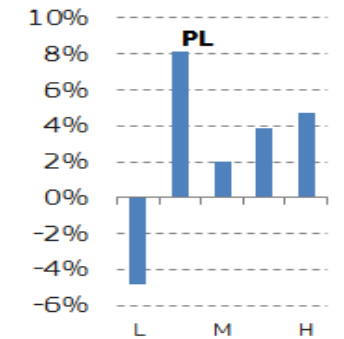
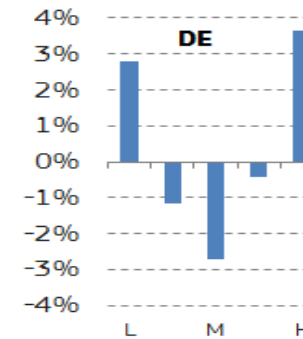
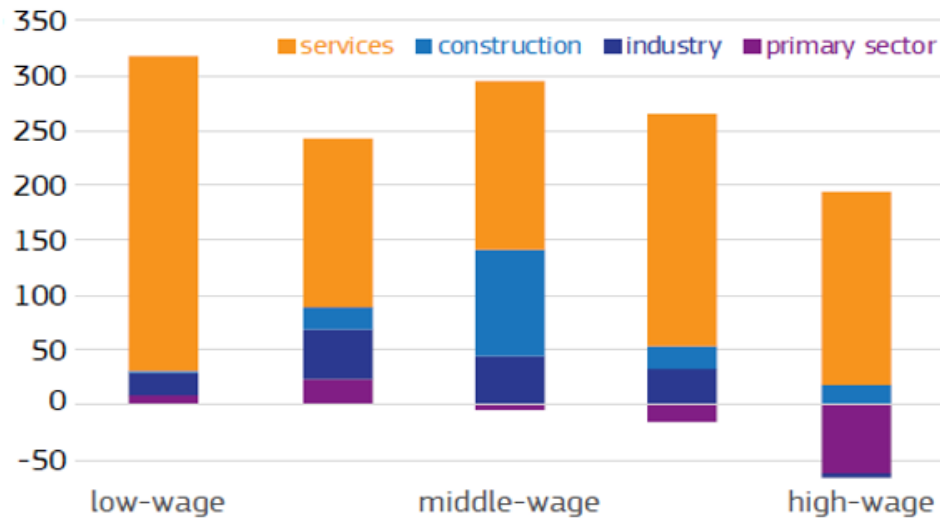




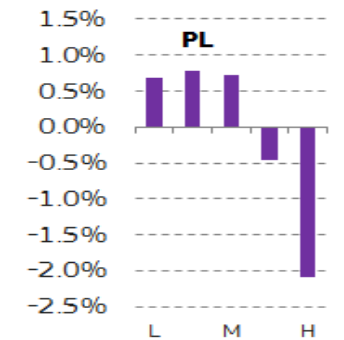
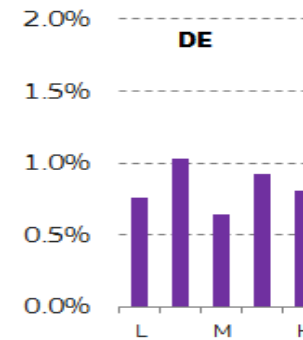
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...while mitigating job polarisation and supporting inclusive job growth

Employment gains from climate action by skill-wage profile and sector, 2030



FOME Baseline



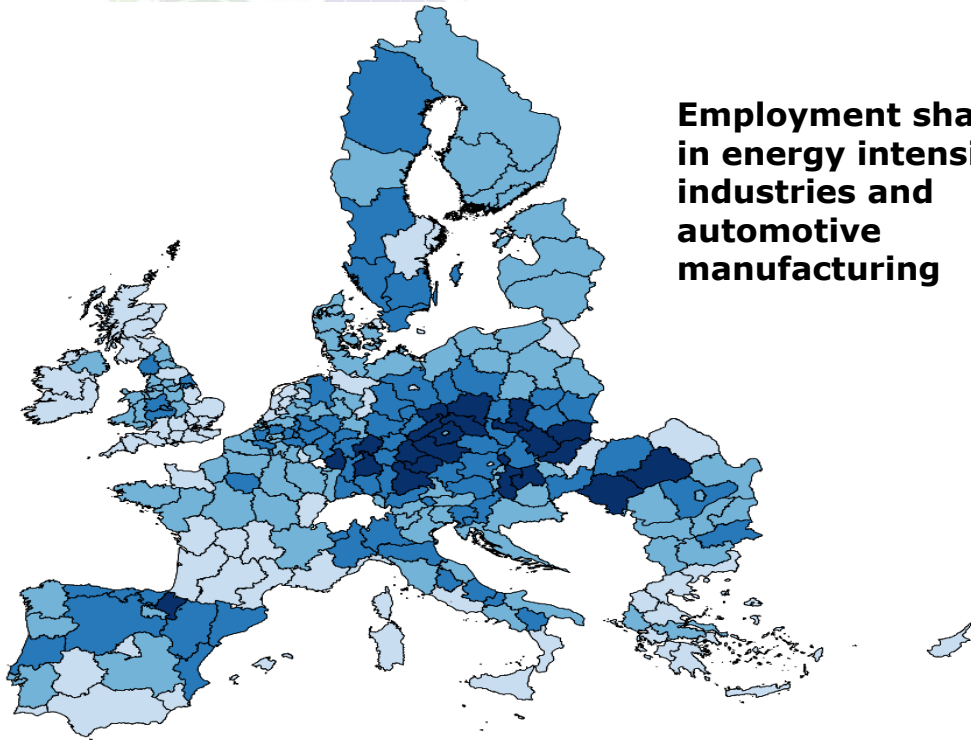
FOME Energy scenario



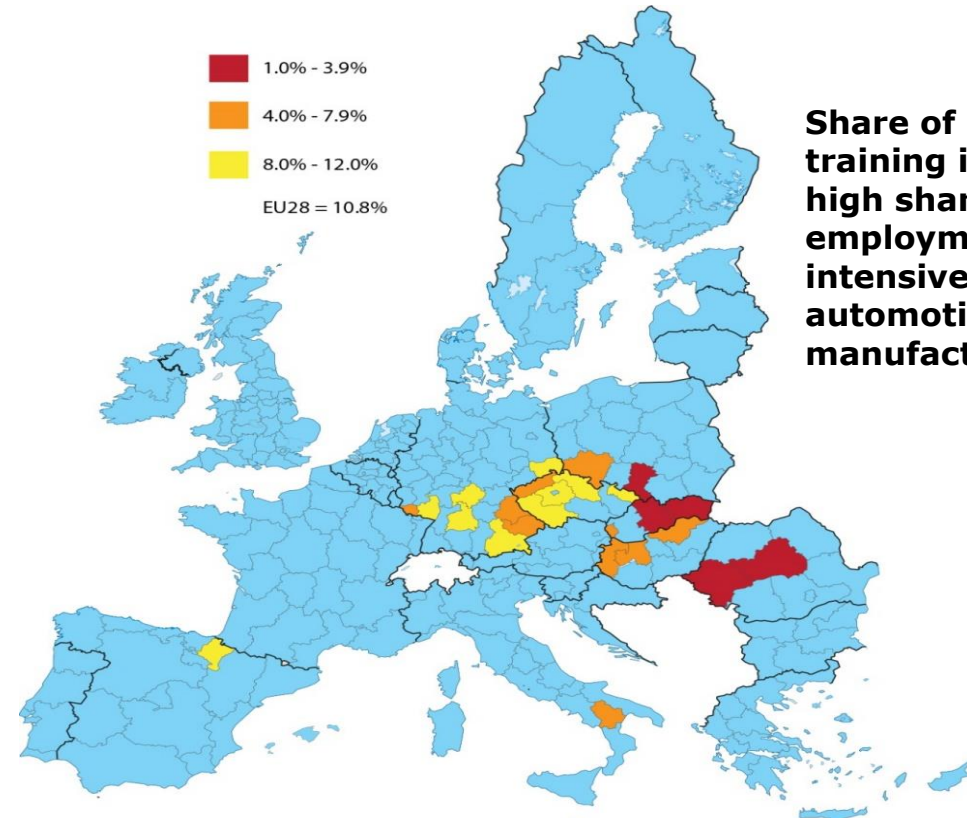


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Transition challenges vary across regions



Source: European Commission (2018)



Source: ESDE 2019





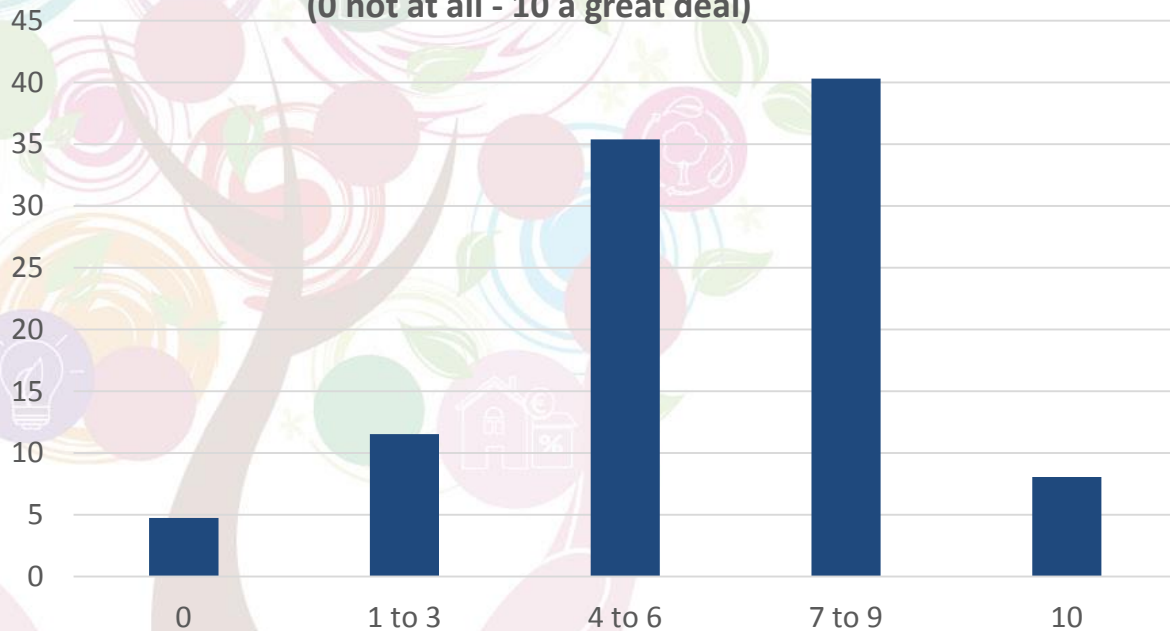
Social Dialogue supports sustainability and fair transition

- Facilitate the transition to a more sustainable economy by developing a common understanding of challenges and ways of addressing them.
- EU cross-industry social partners joint statement: “Tapping the potential from greening the economy for jobs creation”, 2017
- Numerous examples of joint positions at sectoral level, especially most affected (extractive industries, electricity, urban public transport)
- National level initiatives: e.g. Kohlekompromiss
- Measurable progress towards embracing the ecological challenges has been slow -new momentum?



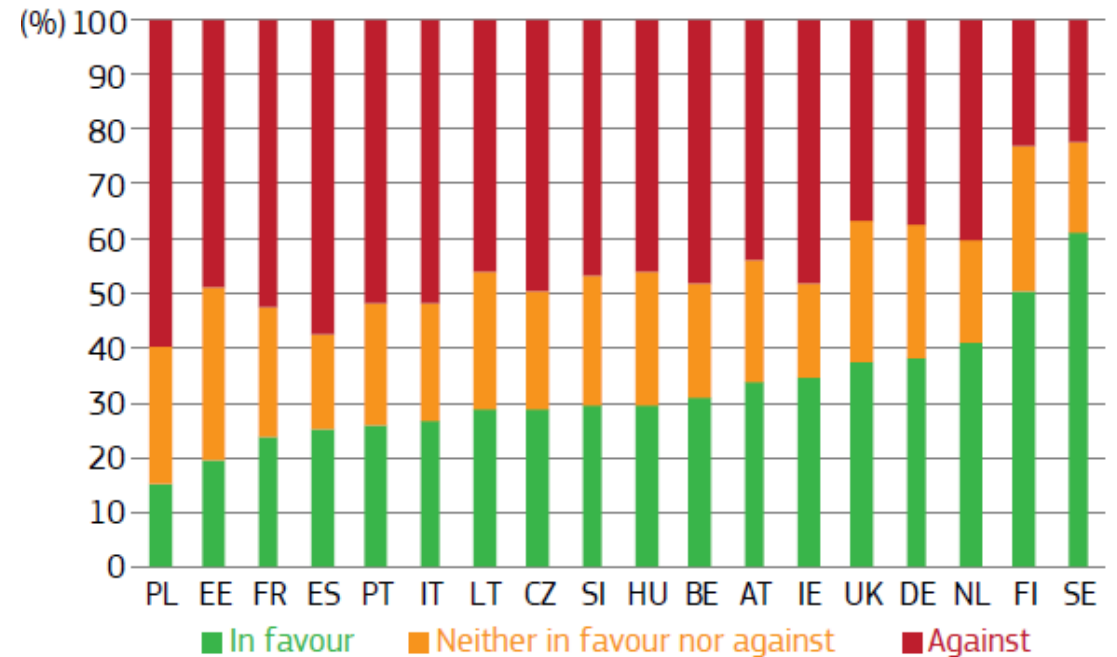
EU citizens broadly support climate action and express concerns about the social dimension

Personal responsibility to tackle climate change (0 not at all - 10 a great deal)



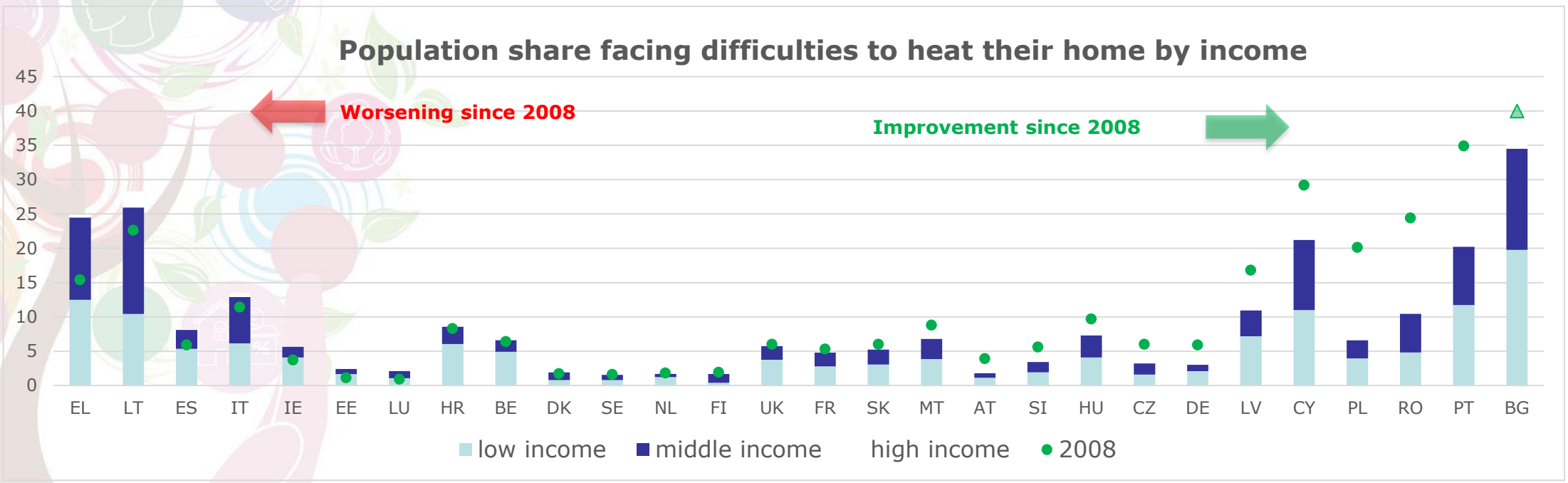
Source: European Social Survey 2016

Taxes on fossil fuels to reduce climate change





Significant proportions of those unable to keep their home warm are middle income households



Source: EU-SILC 2017; Note: BG 2008 not to scale



Enabling framework for just transition

- European Pillar of Social Rights
- European Structural and Investment Funds, notably European Social Fund
- European Globalisation Adjustment Fund
- ETS Modernisation Fund
- InvestEU and Horizon Europe programmes
- economic policy coordination in European Semester and Energy Union governance (NECPs)
- Coal and Carbon-Intensive Regions in Transition
- social dialogue and involvement of stakeholders

+ **European Green Deal, Just Transition Fund**

just transition for all, tailored support, leaving nobody behind



Discussion



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