REJEnerAXion

Impacts of the energy transition on employment, quality of work and skills needs

The case of **BELGIUM**

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Making the Just Transition in Reality: the Role of Innovative Industrial Relations Systems for a Fair and Inclusive Energy Transition

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Methodology

- Interview of 11 stakeholders
  - 5 representatives of Belgian trade unions
  - 3 representatives of Belgian employer organisations
  - 2 representatives of Ministerial cabinet
  - 1 expert (Climact project)
- Documentary work

General overview : a phenomenon difficult to grasp

NATIONAL LEVEL

- Few studies cover the whole country
- The competence is shared between several levels of government
- There are a multitude of bodies responsible for managing the transition
- The cross-sectoral social dialogue committees have little influence

SECTORAL LEVEL

- The energy transition is cross-sectoral
- Companies create new subsidiaries outside their traditional sector to expand in green energy
- New companies are entering traditional sector since liberalisation of market
- No current impact on employment: little interest from trade unions

COMPANY LEVEL

- No current impact on employment: little interest from trade unions
- Little anticipation of future challenges
- The transition to green energy remains an employer prerogative
- New skills needs = subcontractor or self-employed

General overview – Impact on employment

- Overall, the climate transition is likely to result in **small net job gains** in Belgium
  - Between 1% and 2% growth by 2030

  → This development could exacerbate the already acute shortage of jobs in Belgium

- The sectors affected by energy transition account for around 50% of all Belgian jobs

- The impact on employment is unevenly distributed across Belgian sectors (by 2030 vs 1990)
  - Energy sector : - 13%
  - Agriculture : + 6%
  - Transports and communications : +3%
  - Manufacturing industry : +2%
  - Construction : +12%

Source : CLIMACT

General overview – Impact on working conditions

- The jobs transition is rarely the subject of
  - forward-looking management of jobs and skills at local and sectoral levels
  - a proactive policy of continuing training for workers to ensure that they remain in employment
- Workers mobility from brown sectors to green sectors is likely to lead to
  - new physical and psychosocial risks
  - a deterioration in pay conditions
  - the need for specific retraining programs

It is much more advantageous at all levels to work in a nuclear power plant than to install photovoltaic panels (Union reps.)

Sources : LENTIC, CLIMACT

General overview – Impact on skills needs

- New skills are needed for the Belgian workforce
  - With appropriate support, skills can be transferred from carbon-intensive to low-carbon activities
    - Existing jobs whose skillset does not need to change : *ex. Bus drivers*
    - Existing jobs whose skillset need to evolve : *ex. Heating system installers*
    - Emerging jobs : *ex. Deep climate renovation coordinator in the building industry*
  - All skill levels can benefit from the transition, with different temporalities
    - Today : initially high skilled labour
    - In 2030 : bottom and middle-skills and wage levels
    - In 2050 : higher skills

Source : CLIMACT

General overview – Impact on social dialogue

- At company level : Energy transition is rarely a topic of social dialogue
- At sectoral level : Energy transition is rarely a topic of social dialogue
- At national level : The traditional bodies for social dialogue are struggling to be heard in the new forums created to steer the energy transition

Specific overview - Oil sector

- Impact on employment
  - No real impact apart from the closure of a small refinery
  - Some companies are selling their brown energy businesses --> transferring workers to other sectors
- Impact on working conditions
  - Sectoral agreements: negotiation of a transitional financial fund
    - Guarantee (additional) income to compensate lower incomes in green jobs
    - Transition training program financed by companies
- Impact on skills needs
  - No sectoral reflection on the subject
  - Some companies have their own training centres to update their workers' skills
- Impact on social dialogue
  - Trade unions traditionally reticent because of the potential negative effect on employment
    - But have recently begun to question the energy transition and job opportunities it may offer

Specific overview – Gaz & Electricity sector

- Impact on employment
  - Sharp fall in employment (-12%?) due to
    - staff shortage
    - new sourcing strategies (subcontracting , freelancing)
    - outsourcing of subsidiaries to other sectors
- Impact on working conditions
  - The 1962 sectoral collective agreement on job stability in nuclear activities
    - Guarantees jobs for those aged 45 and over until the very end of decommissioning
    - Those under 45 will be reclassified
- Impact on skills needs
  - No sectoral reflection on the subject
  - Some companies have their own training centres to update their workers' skills
- Impact on social dialogue
  - Energy transition seen as an employer prerogative
  - Trade unions lack skills in energy transition
  - New companies entering the sector with little tradition of social dialogue

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Thank you !

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