



An Chomhairle Náisiúnta Eacnamaíoch agus Shóisialta  
National Economic & Social Council

# The Transition To Low Carbon: What About Vulnerable Workers?

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*Spotlight Session: Just Transition, Vulnerability, and Policy Responses*

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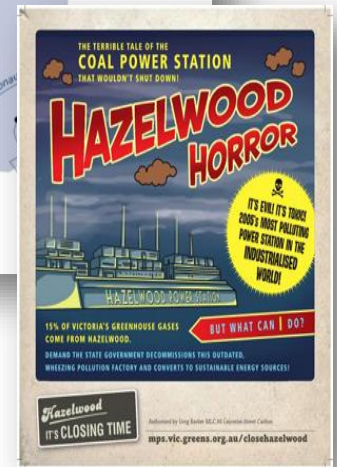
# Background

- Request to NESC by Government
- Project
  - Transition to low carbon and more technological Ireland
  - Specifically: vulnerability of workers, firms, and sectors
  - NOT: how to transition to a low carbon economy
  - Provide recommendations
- Method
- Report published in March 2020



# Just Transition - Lessons

- Transitions are messy
- There is no template
- Context and experiences matter
- Be prepared
- Social dialogue helps
- 'Place' is (almost) everything
- Extra resources are necessary
- A process for workers makes transition more orderly



# Just Transition - Advice



- Definition
  - A just transition is one which seeks to ensure transition is fair, equitable and inclusive in terms of processes and outcomes
- Go for purposeful and participative
- Protect the most vulnerable
- Devise and deploy supports
- Make place-based interventions and investments
- Specifically
  - Establish a social dialogue and deliberative process
  - Develop a shared vision and associated mission-oriented actions

# Who/where is vulnerable?



- Certainty is elusive; difficult for policy-makers
- Limitations of modelling and estimates
- Effect on employment is likely to be modest
  - OECD: low-level churn
  - ILO: potential net gain
  - NESC/ESRI Carbon tax example: gross loss by 2030 ~ 7,275
- Sectors:
  - Supply of fossil fuels, generation of electricity, transport, parts of manufacturing, and agriculture
  - ‘Pathology’ unclear
- Regional effects are also modest, BUT
- Profoundly affect the lives of specific communities
- Urgent need to improve the evidence-base
- May know only a little, can still do a lot...

## VISION

A resilient, sustainable, thriving net zero economy and society, using innovation and collective preparedness to shape the society we want to achieve.



# DRIVER 1

## 1. Increase Ambition

- Higher targets
- Resourcing
- Incentivise employers

## 2. Improve Information

- More skills audits
- Recognise informal skills
- Information sharing



## 3. Life-long Learning

- Greater effort
- Target under-represented cohorts

## 4. Better Advice

- Pre Unemployment
- More 1-to-1 coaching
- 'Destination' is key

# DRIVER 2

## 1. Extend Supports

- 'Viable but vulnerable'
- Learn from Brexit / Pandemic
- Transition Voucher

## 2. SME Digitalisation

- Boost awareness and take-up
- Simplify application for innovation supports?



## 3. Enterprise-Led Networks

- Funding
- Lessons from existing clustering projects

## 4. Early-Movers

- If and how to support initiative



# DRIVER 3

## 1. Target Support

- Social clauses
- New firm/community-level mechanism

## 2. Improve Support

- Seed-fund applications
- Fund local plan development
- More place-based schemes



## 3. Better Engagement

- Work with national finance institutions (SBCI and MFI)
- Add 'transition' to SBCI strategy
- Engage with EIB
- Monitor EU developments (EGD)

# Making it Happen



- Settle on ownership, priorities, and resources
- Improve communications
- Enhance the evidence-base
- Implement the framework of actions
- Establish the institutions and funds

***Doing so can help address employment vulnerability  
as part of a Just Transition***

- An example...



# Our Advice in Action

## The Just Transition Fund 2020



- June 2020: Dedicated State investment fund of €11m
- Competitive allocation process
- Three priorities which reflect NESC's three drivers of State response
  1. Supporting training
  2. Enterprise supports
  3. Community-focus and targeting
- BUT: does a *just transition* boil down to very targeted funding?



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# Thank You

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