



# OUR POWER

Demand Briefing Paper

**94%** of 1092 offshore workers surveyed support this demand

# WORKERS AT THE CENTRE OF TRANSITION PLANNING

## SUMMARY

Workers know what barriers exist to the phase out of oil and gas and the potential solutions for building a thriving renewables industry. Any transition needs to be shaped by that knowledge.

This requires engaging a representative section of the workforce in participatory policy-making, where workers are able to influence and determine policy, in addition to existing engagement with trade unions.

**“ Anyone sitting on any board or any commission, there should be a good representation of workers. There should be equal representation and voting rights. ”**

- John, Test Engineer

## CONTEXT

Currently, workers are largely left out of transition planning decisions - decisions which will have a major impact on their lives - at the workplace, sector, regional, and national levels. Workers’ knowledge and experience is largely ignored as climate policy is made.

At the workplace level, companies are increasingly announcing net zero targets - but there is no example in the UK oil and gas sector of worker involvement in decision-making on decarbonisation.

Energy company SSE’s Just Transition strategy, hailed frequently as industry-leading, recognises the importance of worker voice and trade union representation, particularly in times of change, and commits to working with trade unions to manage change. But even this document conceptualises this engagement as responsive: the company plans change; worker representatives are involved in managing it. SSE doesn’t formalise a role for workers to be able to feed in their experience and knowledge to shape transition planning itself.<sup>1</sup>

The Scottish Government has committed to “the production of key just transition plans, in a way that is co-designed and co-delivered by communities, businesses, unions and workers, and all society”.<sup>2</sup> A Just Transition Commission has been established with a formal role, providing advice and scrutiny on the just transition plans. In carrying out this role, it is tasked with “engagement with those most likely to be impacted by the transition.” However

This briefing paper forms part of a collection of resources on **Our Power: Offshore workers’ demands for a just transition**. A full report detailing the 10 demands created by offshore workers is available to read online and contains technical information, costs and a complete series of recommendations for decision makers.

A methodology paper is also available for more information on how the demands were created.

To protect their anonymity, all the names of workers quoted have been changed.

**“ BP...seem to be aware of [the need for change] and doing things so why dont they do workshops and sessions with workers. ”**

- Matt, Deck Crew

1 <https://www.sse.com/media/xtrlsctj/just-transition-strategy-sse-final.pdf>

2 <https://www.gov.scot/groups/just-Just-Transition-Commission-gov.scottransition-commission>

# OUR POWER

Demand Briefing Paper

## WORKERS AT THE CENTRE OF TRANSITION PLANNING

at present, worker representation on the Commission is limited to three trade union seats out of fifteen. The first Just Transition Plan in development is for the energy sector and despite commitments to co-design these plans, direct involvement of oil and gas workers has been limited to an online survey so far.<sup>3</sup>

The Scottish Government is often described as leading in regards to just transition but the impact in terms of policy or involvement in the process is largely not felt within the workforce according to workshop participants' comments.

At the UK level, worker voice in transition planning is yet more limited. There is a business-dominated Green Jobs Delivery

**“ When the conversation about Just Transition started, it was the wrong voices and not workers in stories. They were saying we need to do X, Y, Z but they didn't understand why it wouldn't work. ”**

– Fraser, Catering

Group, formed of ministers from four departments, 27 representatives from business, skill sectors and higher education and NGOs, and one trade union seat held by the Trades Union Congress.<sup>4</sup> Neither the existence nor the principles of this UK body are set out in legislation, giving it very limited influence over government actions or policy making.

Workers in every workplace, particularly in the oil and gas sector, should have the opportunity to feed their knowledge and experience into and shape transition planning. At national, sectoral, and local levels, government, local authorities, and individual companies should engage workforces in participatory planning processes to develop transition plans.

## PATHWAY

### THE UK GOVERNMENT SHOULD:

- Restructure the Green Jobs Delivery Group to have greater worker representation as well as more local and devolved government representation. It should be established in legislation as an ongoing body similar to the Climate Change Committee, with formal powers to influence and shape policy that is relevant to climate transition and workforce planning.
- Ensure that all funding for companies, and contracts where relevant, should be conditional on involving the workforce in transition planning.
- Through climate disclosure regulations, mandate every UK listed company to make just transition plans and involve their workforce in transition planning.

### THE UK PARLIAMENT SHOULD:

- Legislate for mandatory inclusion of worker representatives on Boards of large companies.

### THE SCOTTISH GOVERNMENT SHOULD:

- Establish the Just Transition Commission by statute for the duration of domestic climate targets, ensuring the Commission is independent of government and with a responsibility to report to the Scottish Parliament directly. A majority of the members of the Commissions should represent key stakeholders in a just transition - i.e affected workers and communities, trade unions and the environment.
- Ensure that all funding for companies, and contracts and procurement where relevant, should be conditional on companies having involved their workforce in transition planning.

### THE JUST TRANSITION COMMISSION IN SCOTLAND SHOULD:

- Initiate sectoral participatory-making processes involving a representative cross-section of the workforce to develop sectoral just transition plans.

### LOCAL AND COMBINED AUTHORITIES SHOULD:

- Convene their own Just Transition Commissions and participatory policy-making processes.

### HIGH-CARBON EMPLOYERS SHOULD:

- Engage their workforces in transition planning. To do this, employers should work with trade unions to convene participatory processes for a representative section of the workforce. The results of these planning processes should be formalised as collective agreements with unions in the workplace, and regularly updated.

<sup>3</sup> <https://consult.gov.scot/justtransition>

<sup>4</sup> <https://www.gov.uk/government/news/green-jobs-delivery-steps-up-a-gear>

# OUR POWER

Demand Briefing Paper

## WORKERS AT THE CENTRE OF TRANSITION PLANNING

### COSTS

Establishing a UK Green Jobs Delivery Group or Just Transition Commission on a scale comparable to the Climate Change Committee would cost less than £5 million per year.

Other than this, the costs of policy-making processes are largely administrative. We expect these to be more than offset by the benefits gained from incorporating workers' insight into planning.

### HAS THIS BEEN DONE ELSEWHERE?

**Social partnership instruments** along the lines of Just Transition Commissions have shaped and governed transition processes for the phaseout of coal mining in countries like Germany and Spain. Trade unions and local governments were involved, securing infrastructure upgrades and alternative job creation, but there was no mechanism for rank-and-file workers to feed into planning.

**Company-wide just transition agreements with unions** exist at Enel (Italian chemicals manufacturer) and Eni (Italian oil company).<sup>5</sup>

Forms of **participatory decision-making in the workplace** are part of management practice in a variety of places and industries<sup>6</sup> and have been shown, for example, to contribute to better employee work satisfaction and sense of control in an environment where jobs are precarious in the healthcare sector in the US.<sup>7</sup> A recent project led by Swedish researchers is supporting worker-led transition planning in a range of workplaces in Sweden and in Spain.<sup>8</sup>

**Worker-led transition planning** is taking off through trade union structures in a number of UK workplaces. At GKN Automotive, factory workers devised a plan to switch the drivetrain plant to production of electric vehicle drivetrains, to save the company from imminent closure and jobs offshoring to Poland.<sup>9</sup> At Rolls Royce Aerospace sites at Inchinnan, Barnoldswick, and Ansty, union representatives negotiated for a commitment from Rolls Royce to keep the factories open and develop skills and manufacturing processes for Net Zero compatible manufacturing.<sup>10</sup> But initiatives like these require continued support and investment, and can be subject to the whim of the employer: GKN closed the factory and laid off its workforce despite the worker-led plan and a prolonged negotiation.<sup>11</sup> So governments should use available levers to compel companies to engage with worker-led planning.

**Worker representation on company boards** is mandatory in Germany under 'co-determination' laws.<sup>12</sup>

5 <https://www.industrial-union.org/italian-unions-negotiate-a-just-transition-agreement-with-eni>

6 <https://www.jrf.org.uk/file/37050/download?token=a6F-YpDP&filetype=findings>

7 <https://psycnet.apa.org/doiLanding?doi=10.1037%2F1076-8998.10.4.320>

8 <https://www.umu.se/en/research/projects/workers-as-agents-of-a-green-and-just-transition>

9 <https://www.theguardian.com/commentisfree/2021/sep/20/green-jobs-car-factory-strike-industry-offshoring>

10 <https://www.tuc.org.uk/blogs/pushing-green-new-deal-rolls-royce>

11 <https://www.unitetheunion.org/news-events/news/2021/november/cop-26-melroses-closure-of-gkn-birmingham-slammed-as-green-economy-betrayal-as-500-manufacturing-workers-set-to-lose-their-jobs>

12 <https://en.dgb.de/fields-of-work/german-codetermination>

# OUR POWER

Demand Briefing Paper

## WORKERS AT THE CENTRE OF TRANSITION PLANNING

### CASE STUDY



Pseudonym: ..... **Richard**

Age: ..... **64**

Job Title: ..... **Services Supervisor**

Location: ..... **Aberdeen**

One of the reasons I left the industry was that I'd lost faith and was fed up with a lot of their nonsense. Paying for the training got ridiculous. I was asked to do a training course for qualifications I already held at my own expense and refused. I went to my MP, lo and behold I got a letter back from the governing bodies saying we will make an exception. My MP didn't know what was happening until I told him and when he found out, he knew it was ridiculous. If they can waive the rules for me they can do it for everyone.

We used to be two weeks on [the asset], two weeks off [the asset] but now most are three on, three off. Years ago they did a study, after 10 days your interest and concentration goes down and everything becomes more dangerous. You can't understand what it's like to be away from your home for that length of time. You are getting messages from family, it takes your mind off the job. I work with a guy who has a child with a disability, his mind can't be on the job for that length of time.

The government can't know what they are asking for. You need a voice from the workers to explain to politicians exactly what's going on and what it's actually like because they can't fully understand it otherwise. The industry and the transition can't be a success without workers being involved.

Right now, I only expect broken promises. It won't be what the workforce is expecting or what the public wants to see either. Politicians are trying to spin, giving people a carrot, promising this and that but it doesn't transpire. Until you actually get out there and listen to people on the job then it's not possible to understand the solutions. I haven't heard a thing from the UK or Scottish Government about energy transition.

This process has brought people in to speak, and it is important that it's anonymous. The government could do that too, get people's opinions, that would be a great help and mean the transition would have more chance of succeeding.