



Canadian Centre for  
Policy Alternatives  
Manitoba Office

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## The Role of Labour in the Green Industrial Revolution

**C**anada is well behind other developed – and some lesser-developed countries – in shifting gears to a green economy. Other countries are supporting green enterprises with targeted programs and subsidies. But Canadian NGOs, social enterprises and green entrepreneurs are largely on their own. There are many reasons – not the least of which is avoiding catastrophic climate change – why these pioneers should receive the same government support as oil and other resource extraction sectors.

Canada's refusal to grab the opportunities that are opening up in the green economy means that we are missing out on tens, if not hundreds of thousands of new jobs. Research in 2010 by Blue Green Canada – a partnership between Environmental Defence and United Steelworkers estimated that Germany would employ 400,000 people in the renewable energy sector by 2020. Even China is reported to be adding 100,000 new clean energy jobs every year, partly driven by its solar panel sector which exports 95 per cent of what it manufactures. The Green Economy Network, a Canadian coalition of labour, environmental NGOs and civil society groups also encourages change. If its plan were undertaken, Canada could create up to 4 million fulltime jobs for one year (person job years) and cut greenhouse gasses by 100 million tonnes by 2020.

Although Canada's position in clean energy is improving, according to recent research released by Clean Energy Canada it still has a ways to go. The top 5 investors in clean energy last year were, from first to fifth: China, USA, Japan, UK and Germany. China now leads the world in wind and sun power generation and last year it invested more in clean energy

than in new coal plants. The report notes that “while other economies have made clean-energy industries and services a trade priority, some of us cling to the notion that our carbon-based fuels constitute our only competitive advantage.”

Why should labour care? It should care because the sooner Canada prepares to transition to a green economy, the better – for both the environment and the economy. Many see a coming “green industrial revolution that will have transformative impacts on the nature of work and employment.” The transition will cause green collar jobs to multiply and resource extraction jobs – many of which are unionized – to disappear. In fact, research shows that the green jobs such as building retrofitting and manufacturing clean energy products are labour intensive and create more jobs than resource extraction. This is good news for the economy, but labour must be at the table to ensure that new green jobs in the ‘sunrise’ sector are decent, unionized jobs and that workers in the fossil-fuel ‘sunset’ sector are treated fairly as investment and jobs migrate from one sector to the other.

In its report the Canadian Labour Congress (CLC) advocates for a Just Transition for workers whose jobs will be phased out:

*The labour movement has a vital role, not only in working for Just Transition, but in following up the moves to sustainability, so that displaced workers continue to work in a union environment, with all the benefits and protections that unions have offered in the past.*

The report recognizes the potential for job loss as the economy transforms; indeed, the ‘creative destruction’ of capitalism is nothing new. It is always workers who pay

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**Dec 4, 2014**

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IN LABOUR ISSUES

the cost of conversion to new technology or even policy implementation to protect the environment. The transition to a green economy, therefore, needs to be strategically managed and labour must be part of designing the strategy for the sake of workers in both the sunset and sunrise sectors.

Cohen and Calvert, in a Pembina Institute report, note that the highly coveted manufacturing jobs in the renewable energy sector are largely found in countries where the government provides significant support and policy stability, giving manufacturers confidence to invest and making sure that “their jurisdiction benefits from the full clean energy value chain.” Clearly the overall message is that government, industry and labour must be partners in designing a green economy strategy. The CLC is preparing; Canada has many clever and enterprising women and men already working in the green economy; some provinces, including Manitoba, have promising initiatives and legislation to support the green economy. So why is Canada dragging its heels?

In a recent iPolitics op ed, Linda McQuaig talks about the new book *The Entrepreneurial State* by Marianna Mazzucato. She notes the need for government action on green technology, and quotes Mazzucato “Energy markets are dominated by some of the largest and most powerful companies on the planet, which are generally not driven to innovate. [. . .] Leaving direction setting to ‘the market’ only ensures that the energy transition will be put off until fossil fuel prices reach economy-wrecking highs.” A December 2, 2014 *Globe and Mail* story refers to yet another Clean Energy Canada report being released. This most recent study notes provincial improvement in green investment, but chides the federal government for not giving the sector the attention

it warrants: “Every major industrial sector in Canada – from the aerospace industry to the oil sands – has gotten off the ground with support from the federal sector. But in the clean-energy sector, the federal government is really missing in action.”

Given the dire predictions around climate change and the depletion of conventional energy stocks, civil society, unions and NGOs need to push governments to take swift action. We should not be letting Canada’s powerful resources extraction sector distract us from taking the lead. And once again, that’s where unions come in.

Unions know how to instigate societal change. They were at the forefront in bringing in “child labour laws, Workers’ Compensation, workplace health and safety legislation, minimum wage and employment standards legislation, government pension plans, Medicare, home care and community development programs for municipalities”. Each one of these programs was a victory for workers and society at large. It is now time for labour to bring its collective power to a new cause: a green industrial revolution.

Canadians understand that change is coming, whether we’re ready for it or not. We need leaders who will take control of the transition so that everyone benefits: workers, businesses, society at large.

If national and local unions don’t fill more of those leadership roles, who, or what will?

*Lynne Fernandez holds the Errol Black Chair in Labour Issues*

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