Interview to Raymond Torres Director of the International Institute for Labour Studies, ILO

by Lisa Rustico

Mr. Torres, according to the World of Work Report 2009, the occupational impact of 'green jobs' will be neutral or slightly positive; this morning you mentioned that green jobs' impact will range from 2 to 5% of total employment. However, we usually address 'green jobs' as a revolutionary, historic opportunity for the labour market. Where is the catch?

It is indeed a tremendous opportunity and we believe there's a double dividend of moving towards a green economy and promoting jobs, both in quantitative and qualitative terms. These goals can go hand in hand, it is a double dividend. Of course it is not easy to realize and this is why it does not happen so much. First of all, it requires a very careful consideration of the transition costs. It is true that, on a net basis on the medium term there will be more and better jobs. Still in the short term, some jobs will be lost especially in certain sectors. Some people will have to more from one sector to another. Some sectors will have to face adjustments internally, like in the automobile or in chemistry, which is not easy to do. But also in the short term there may be some cases of higher costs because you need to green the workplaces, you need to invest in new technologies and that of course increases production costs and then prices. There is international competitiveness in the short term! This can be addressed to the extent that enough countries move in the same direction, especially in Europe. Moving in this direction is an opportunity for European countries and in the longer term this will become an advantage, improving international competitiveness. As, first of all, consumers around the world are changing: they want now green products. Secondly, a green technology revolution is taking place: just think of IT for the new sources energy sources. What looks like a cost now will become huge benefit in the future provided this is managed properly. So, we have to consider the transition costs first, then competitiveness issues. But another concern, the third one, is the size of the investments that need to be put in place. To some extent there has to be a big investment in certain technologies and it is very difficult for one country in isolation to do that. For example, if we discovered a new source of clean energy, this could be a tremendous service to the entire humanity. But if the cost is born by one company or by just one country, then... that's an issue! And that is actually why investments in new technologies do no happen so easily. Hence, there has to be pooling of resources or compensation for new discoveries in this area to avoid just technological leaders keep the benefits. The fourth concern is the distributional concern. Somebody say that, even if there are going to be benefits in the long term, some people may experience losses in the short run. For example, vulnerable groups rely very much on fossil sources of energy so that the share of fossil sources of energy in their consumption basket tends to be larger than that of higher income groups. But here too there are tools to address distributional issues. So, this is complex and we cannot solve it easily. Financially there may be costs but there are solutions. So, we have to lead it through dialogue.

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Dialogue, but also political willingness. Thomas Edison taught us that solar energy is the future: and it was back in 1931. What's the role of political leaders in breaking through a new, greener economy?

The benefits for this to happen go beyond the normal electoral cycle. So, it will require a lot of courage to political leaders to engage into something which implies some costs in the short term and whose benefits come well beyond the normal electoral cycle. And that's why international cooperation is so important. But, history will reward political leaders that have enough vision to move in this direction. One concrete example would be green tax. If a sufficient number of countries at the European level start working together towards green tax, which facilitates this transition using the tax to compensate workers who loose their jobs or to promote skills. That's a very specific type of international cooperation, which would be tremendously useful. And it can be done now!

Are green jobs going to provide employment opportunities also for the female workforce, provided that they mainly concern sectors traditionally dominated by men, such as construction, transport, electricity?

One of the side benefits of moving towards a greener economy is also the promotion of greater gender equality, more gender balance. The very high carbon intensive sectors, for example the production of fossil energy, are very much male dominated and also the rents from those sectors tend to be unevenly distributed. While, the new sources of energy tend to embody new smaller scale projects and initiatives. And women now have greater access to new business opportunities indeed. Therefore, I think opportunities from the new sources of energies tend to be more equally distributed. So, I think this has to be seen also as an opportunity also for greater gender balance.

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