

# Briefing to the Incoming Minister for Climate Change 2020

### Sustainability- our priorities for the future

November 2020

### Whatungarongaro te tangata, toitū te whenua

As people disappear from sight, the land remains

## **Congratulations**

Congratulations on your appointment as Minister for Climate Change. The PSA is committed to better public services through a sound response to climate change and sustainability for the future. We look forward to working with you to make a real difference for New Zealanders. We would welcome the opportunity to meet with you on a regular basis. We would also like to extend an open invitation to you to meet with our Eco Network, which meets regularly throughout the year.

### The PSA and sustainability

The New Zealand Public Service Association: Te Pūkenga Here Tikanga Mahi (the PSA) is the principal trade union for working people across the public service, local government, community and state sectors and DHB's. The PSA represents 77,000 members and in a recent survey of all members, tackling climate change was in the top three of issues that members were most concerned about.

The PSA's purpose commits us to seeking to influence the industrial, economic, political and social environment in order to advance the interests of PSA members. Those interests include a sustainable future and while in the past, our focus has been on sustainability in the workplaces where our members are employed and in the day-to-day operations of our union, there is increasing recognition that it is impossible to separate those needs from the wider challenges of sustainability facing our planet, such as climate change. We also recognise that poor environmental outcomes are linked to unequal and unsustainable economic outcomes, which are directly linked to poor and unequal social outcomes.



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### **Achievements**

We would like to acknowledge the achievements made by the previous Labour-led government for the environment that will benefit the livelihood of our members and society as a whole. In particular, we would like to thank you for the following:

- The investment in the ongoing transition to a clean powered public service, by helping hospitals and schools switch to clean, climate friendly ways of keeping people warm.
- Putting an end to new offshore oil and gas exploration
- Passing the Zero Carbon Act
- Establishing the Climate Commission
- Establishing the Future of Work commission and the FoW tripartite forum.
- Establishment of the Just Transition Unit with the ministry of Business, Innovation and Employment.

### Our vision for a sustainable New Zealand

In the context of Aotearoa/New Zealand and the PSA's own commitment to Te Tiriti o Waitangi, sustainability incorporates the principles of kaitiakitanga (upholding our responsibilities), rangatiratanga (showing leadership) and manākitanga (caring for our people). Sustainability also encompasses social, environmental and economic aspects expressed through the concepts of mana, wairua and mauri that relate both to people and to the natural world.

Climate change is a workplace issue and a union issue. Climate change and the necessary move to a low-emission economy has and will have massive implications for work, workers and the working environment. The PSA supports the promotion of clean job opportunities and the greening of existing jobs and industries through investment in low carbon development strategies and technologies. Impacts for workers include what work is available to them, changes to the content of their work and the skills and training required, changes to the risks involved, the location of work, how they get to work, their health, security, immigration, and much more. The public service will



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play a vital role in ensuring our transition is smooth and just, and a well-resourced, effective public service is vital to the success of our communities in this change.

## **Priorities for Change**

### 1. A Just Transition

- Legislation that requires investment and diversification of our economy into more productive, high value industry, replaces industries that are no longer viable in a climate resilient Aotearoa, and adapts to or takes advantage of, developments like climate change, including transition plans developed in conjunction with sunset industries such as coal oil and gas.
- Employment law that strengthens collective bargaining so that the benefits of change and productivity growth flow through into wages, better job security and conditions, and encourages productive, participatory, high-trust workplaces and tripartism;
- A capable state including a social security system that genuinely provides security of income plus training and support for those who lose their jobs due to change or due to an increasingly insecure job market; education and training systems that prepare people for life and work; including retraining, reskilling and redeployment for those in affected industries; strong infrastructure and regulatory capacity.

### 2. The Public Service

- Adequate funding, resourcing and education invested in the public service
- o The Govt as an exemplar employer in changing workplaces

#### 3. The Future of work

- Retraining, reskilling and redeployment is necessary to ensure workers and workplaces adapt. This includes formal education, training, retraining, and life-long learning should be promoted for working people, their families, and their communities
- Social protection measures, including active labour market policies and social insurance, should be developed to support workers in industries undergoing change



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- Collective bargaining should be strengthened, and the involvement of workers and their unions promoted in negotiating processes of just transition that span enterprises and industries
- New job opportunities in the low carbon economy and the transformation of existing jobs and industries should be promoted through public and private investment in low carbon development strategies and technologies

#### 4. Procurement

- Government procurement rules should be used as a tool to incentivise development of low carbon goods and services and include the requirement for such services to be locally sourced and low carbon.
- Government funding contracts to require the provision of secure work and equal pay

#### 5. Minorities

- Adequate engagement with Māori and minority cultures
- o Education for minority communities

### **Priorities for Change Explained**

### 1. A Just Transition

The term 'Just Transition' has been adopted by the International Trade Union Congress (ITUC) over the past decade, especially in relation to climate change. Just Transition refers to a policy that protects and supports the interests of working people in the transition to a low carbon future. This includes negotiated transition processes in industries facing necessary change, leaving no one behind, as their jobs are affected by large scale change and the equitable sharing of responsibilities and fair distribution of the costs across society. There must be a focus not only on what industries we are changing from, and the need to support workers in transition such as in extractive industries, but also what new industries we are changing to, and our support for industry development and good jobs in low carbon industries. The PSA supports the Future of Work Tripartite Forum working towards a strategy for a Just transition as well as the Industry transformation plan, working on ensuring we are ready for transformed industries.



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The PSA recommends that the Government initiate a formal process of engagement with all stakeholders including trade unions, employers and communities to build consensus around a just transition at national, regional and sectoral levels to develop a national just transition plan. We recommend an inclusive process for participation, design and decision making. This needs to come with a focus on changing attitudes through government campaigns and social marketing. In addition, public and community services need to be supported (education, funding, service design) to deliver support services on the ground for workers transitioning from one industry to the next.

The PSA recommends a focus on the following:

- Industry policy that supports investment and diversification of our economy into more
  productive, high value industry, replaces industries that are no longer viable due to change,
  and adapts to, or takes advantage of, developments like climate change;
- Employment law that strengthens collective bargaining so that the benefits of change and productivity growth flow through into wages, better job security and conditions, and encourages productive, participatory, high-trust workplaces and tripartism;
- Consider industrial democracy thru a high performance high engagement approach?
- A capable state including a social security system that genuinely provides security of income. The need for coordinated training for redeployment is vital in changing work. Training and support for those who lose their jobs due to change or due to an increasingly insecure job market; education and training systems that prepare people for life and work; strong infrastructure and regulatory capacity. This also includes insuring active labour market policies to create green jobs and support for social insurance.

### 2. The Public Service

We know that all public and community services, including health services, need to radically reduce the emissions of their operations. We see a strong public service as vital in the protection of society through climate change. Investment needs to go into social protection measures such as active labour market policies, access to health services, social insurances support adaptation to a climate-



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impacted planet. The public service will play a vital role in ensuring our transition is smooth and just, and a well-resourced, effective public service is vital to the success of our communities in this change.

In addition, we know that health workers will bear the brunt of climate related social stress and civil emergencies. For our members working in the health sector, there will be changes in clinical demands and re-skilling will be required. Healthcare facilities will face challenges in terms of ensuring their facilities are resilient in the face of heatwaves, wetter weather and extreme weather events. For example, in health, the nursing workforce are preparing for changing disease patterns and the need for detailed workforce planning around this.

The PSA supports the Health Sector relationship Agreement (HSRA) and the Health and Disability System Transformation Review recommendations

Also, relating to local government, the design of our cities, towns and suburbs- allowing for bikes and low carbon transport options, dealing with the impacts of severe weather and the workforce that does this.

### 3. Future of Work:

The PSA welcomes the establishment of the Future of Work commission and the tripartite future of work forum between the government, Business NZ and the Council of Trade Unions (CTU) The PSA has played an active contributing role in this forum and is pleased with the work being completed.

The Future of Work rightly focusses on the need to create more and different jobs to grow the economy, but the right balance so that work is decent and fairly paid must also be part of the equation. Getting the right employment legislation settings is part of this; There should be strong legislative and political support for collective bargaining and for the role of unions. The current contracting model needs fundamental re-examination to support multi-year contracts and responsible contracting principles, which include secure work, decent terms and conditions, adequate and fair wages (Living Wage as a minimum), access to training and development, and fully



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funded contracts. Re-deployment of workers affected by transition should be promoted, including through industry-wide multi-employer pooling to match workers with new jobs

The PSA supports flexicurity in workplaces. Work is changing and current and future workers must be supported to adapt to these changes. But this must not be at the cost of decent work; flexibility should not be imposed on workers by the employer. It should be a genuine choice mutually agreed by the worker and the employer, with outcomes that are good for both parties. Many workers are relatively powerless in the face of zero hours contracts, fixed term and short-term agreements and the other manifestations of insecure and precarious work that suits the employer's model of work. The role of unions is crucial in ensuring that the terms and conditions of flexicurity do not disadvantage workers. Having an employment relations framework and legislative settings that establish a fair and just balance of power between workers and employers, decent work and strengthens the role of unions, should be a major objective for the Future of Work. The PSA recommends making the state services an exemplar Future of Work employer by:

- Requiring responsible contracting for jobs and contracts funded by the state
- Boosting employment relations and human resource capability in the state services
- Advancing industrial democracy through high performance / high engagement workplace practices, with union involvement, in the state services
- Using levers such as Government Workplace Policy Statements and Letters of Expectations to Crown entities to support the objectives of the Future of Work in the state services.
- Establishing common terms and conditions of service, including portability of service, in the public service
- Implement fair pay agreement for workers.
- The inclusion of worker voice at all levels including how their work is conducted
- Establishing a mechanism for sourcing work across the state sector system, so that workers
   whose jobs are changing can maintain employment security
- Test the purpose of service delivery being contracted out or being directly delivered to ensure there is a genuine purpose beyond cost cutting.



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### 4. Procurement practices:

The effective use of government procurement as a tool to incentivise development of carbonneutral goods and services is vital. The government and its enterprises are a major part of the
economy and can assist development through purchasing policies which look beyond the narrow
criterion of short-term value for money for the purchasing agency. We should use government and
SOE procurement to develop local industry, but also, in the context of climate change, to ensure a
transition to a low carbon economy. Government should be directing and preferencing investment
(such as the New Zealand Super Fund) into low carbon transition.

Responsible contracting principles should also include social and environmental responsibility. The state is also a major purchaser of goods and services, and government should use its procurement and contracting powers to ensure that suppliers act in accordance with the objectives of the Future of Work.

#### 5. Minorities:

The health impacts of climate change will be experienced most by vulnerable groups including Pacific communities, the very old, very young, and people with disabilities. We also recognise that poor environmental outcomes are linked to unequal and unsustainable economic outcomes, which are directly linked to poor and unequal social outcomes.

Just Transition in Aotearoa requires the active involvement of iwi and hapū. As part of a just transition, unions and other organisations, including government agencies, should continue to build relationships with iwi and hapū based on Te Tiriti o Waitangi. Māori workers and communities need to be included in any process, to ensure the Māori workforce are prepared for change. This includes, Marae duly prepared and equipped to deal with national disasters, Kura and schools are given the resource to educate our tamariki about environmental responsibility and that a flexible approach is taken that recognises differences in rural and urban needs.