

Annex Three: What is a just transition?



Definition of a Just Transition for the Future of Work Tripartite Forum

The below definition is a joint definition agreed upon by the Future of Work Tripartite Forum (the Forum), which is a partnership between the Government, Business New Zealand and the New Zealand Council of Trade Unions. It sets out the principles of a just transition for the specific purpose of enabling the Forum to scope a national strategy and programme of work that meets these principles and works towards a just transition within the Future of Work Tripartite Forum framework.

Definition:

The New Zealand economy will face uncertain future disruptions. Challenges from climate change, automation and the impacts of globalisation will occur alongside recessions, business restructuring and other international and national factors.

At times, the challenges posed by these future disruptions, the transition to the future of work, and the interaction between these will affect a community, region or industry. If not addressed promptly and proactively they will negatively impact businesses and workers alike. The economy will be unnecessarily impacted, skills will be lost, and human capital will be destroyed in the process. These changes risk reducing the availability of decent work together with secure and liveable incomes.

We can address these challenges through a just transition, towards a more productive, sustainable, and inclusive economy and society.

A Just Transition process:

- Mitigates the negative impacts of the transition and existing change processes
- Enables valuable change to occur and capitalizes on opportunities that come about because of the transition
- Prepares New Zealand's response to future adverse shocks
- Proactively shapes the economy to minimise the future impacts of change, and builds New Zealand's social, economic, and environmental capacity to respond to threats to its wellbeing
- Seeks to determine whether a change can be mitigated by government or other action, and what sort of action is necessary
- Recognizes that not all shocks are necessarily adverse
- Is a partnership with Māori, as Te Tiriti o Waitangi partners, social partners (business and workers) and local communities

- Strengthens the ability of communities, workforces, and industry to determine their own futures over the long term
- Seeks to equitably share the costs, benefits, and opportunities of change across society and the economy and mitigates the potential for that change to create larger economic inequality
- Is as fair and inclusive as possible to everyone concerned, creating decent work opportunities, and leaving no one behind
- Delivers for more marginalized groups and sectors of the community. It supports these groups to play a leadership role in identifying and planning for the actions that will be needed for their transition over the short-, medium- and long-term.
- Ensures that the workers directly affected by a transition do not unfairly shoulder the burden of transitions
- Actively works to achieve these outcomes.