

Trade union responses to the reconstruction of the Austrian energy sector and the increase of renewable energies in the energy mix

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TRAFO - LABOUR

“The Role of Trade Unions and Workers’ Interests in the Social-Ecological Transformation towards a Climate-Friendly Society: The case of Austria”

Project Partners:

- University of Vienna (Lead)
- FORBA - Working Life Research Centre
- IHS – Institute for Advanced Studies
- **WU Vienna University of Economics and Business**

WP 5: Trade union strategies in response to the restructuring of the Austrian energy sector.

Research Questions

- What conditions have to be met that trade unions actively engage in the restructuring of the Austrian energy sector towards renewable energies?
 - Which main strategies can we find to cope with the major trends in the electricity market?
 - What are the positions of trade unions with regards to the transformation of the Austrian energy system?
 - What are opportunities and barriers for union engagement?

Methods

For collection of data and analysis, a broad range of research tools were used:

- systematizing existing literature, i.e. gathering existing research on trade unions
- in-depth analysis of trade union documents such as strategy and working papers, conference outcomes, and press releases and newspaper articles
- 17 qualitative expert and problem-focused interviews
- 1 group discussion

To ...

- creating a more systematic knowledge about the positions but also obstacles to formulate more far-reaching strategies

Unions and worker organizations

National



Regional and sectoral



Worker councils



Industrial Relations & Development Trends:

In the last decades trade unions are confronted with:

- decline of membership (Schmalz & Dörre 2014, Bieler 2012, Frege & Kelly 2003, Ebbinghaus & Visser 1999)
- liberalisation & privatisation (Schulten et al. 2008, Hyman 2007, Streeck & Hassel 2003)
- employment shifts from industry to services
- rise of part-time work (Schmalz & Dörre 2014, Bieler 2012, Frege & Kelly 2003, Ebbinghaus & Visser 1999)
- expansion of small firms (Hermann & Pond 2012, Bartel et al. 2008, Hofbauer 2006)

Austrian electricity sector:

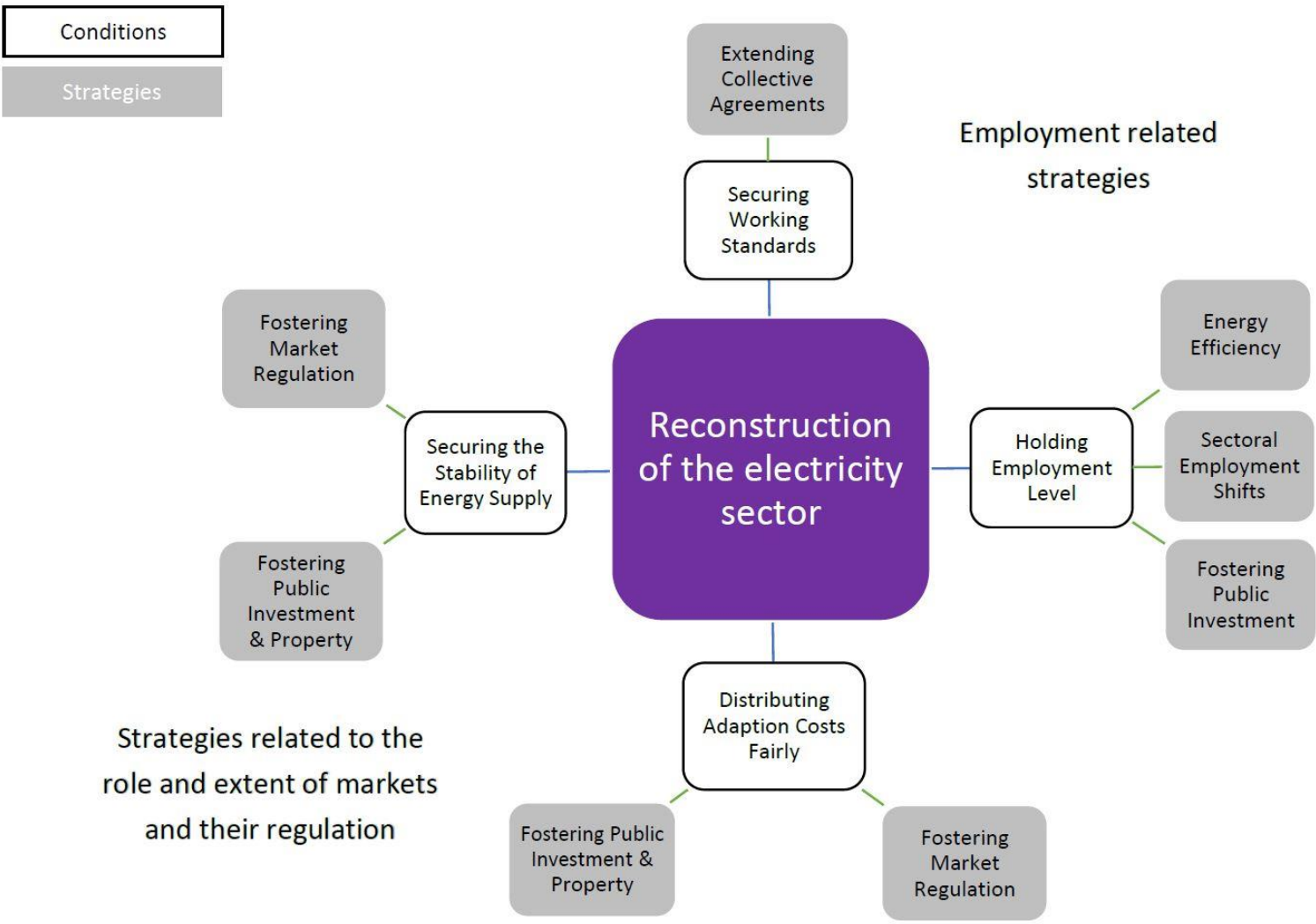
- political tendencies of (partly-)privatization and liberalisation within the sector (Schneider et al. 2015, Hermann & Pond 2012, Hermann et al. 2009, Madlener & Jochem 2001)
- job cuts in the energy sector (Flecker & Hermann 2011, Atzmüller & Hermann 2005, Jefferys et al. 2009)
- new renewable energy capacities mostly in the small to medium-sized firms (Hofbauer 2006, Pezenka & Thoman 2014, Moidl et al. 2011).
- unequal price development for households and industry (Chamber of Labor 2013 & 2014, E-Control 2014a, 2014b)

Increase share of renewable energies

- An increase of renewable energies is acknowledged and generally supported
 - Basic programs, press releases, etc.
- However, trade union positions mostly follow a technological and spatial fix
 - National and sectoral focus of their strategies
- Critique on current developments
 - Positioning against pure market-based approaches in energy production and service provision

Trade Union Strategies

Results



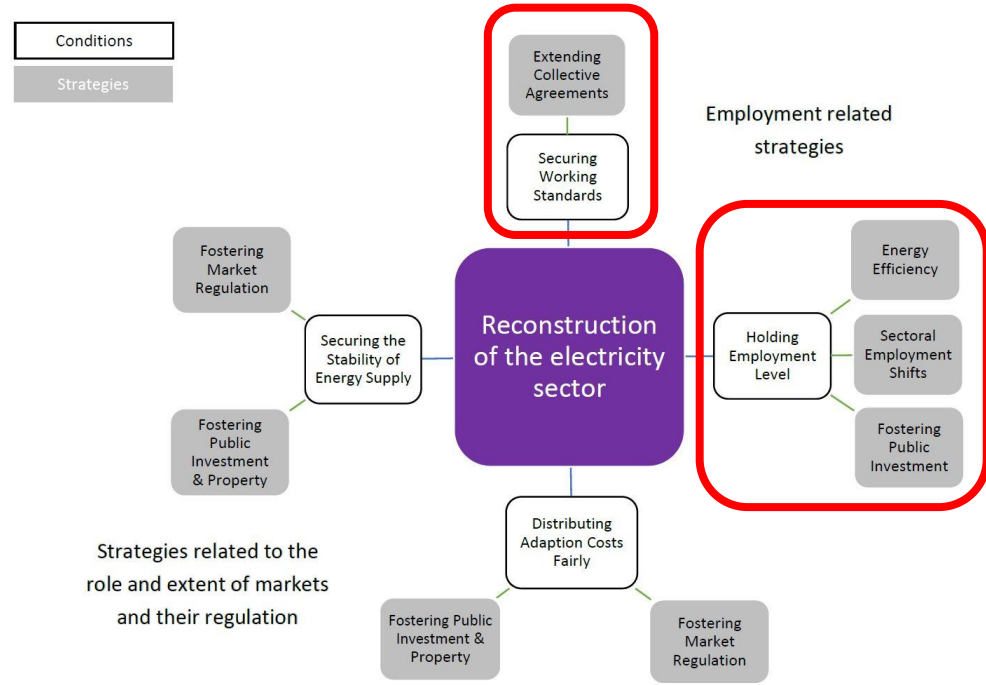
Secure employment and quality of work

Due to structural change and liberalisation trends:
 employment cutbacks & falling quality of
 work (private companies operating outside of the collective
 agreements, rationalisation measures in energy sector)

Strategies: Energy efficiency and extension of
 collective agreements

increased efficiency leads to weakened needs for structural changes

Extension of collective agreements as core strategy

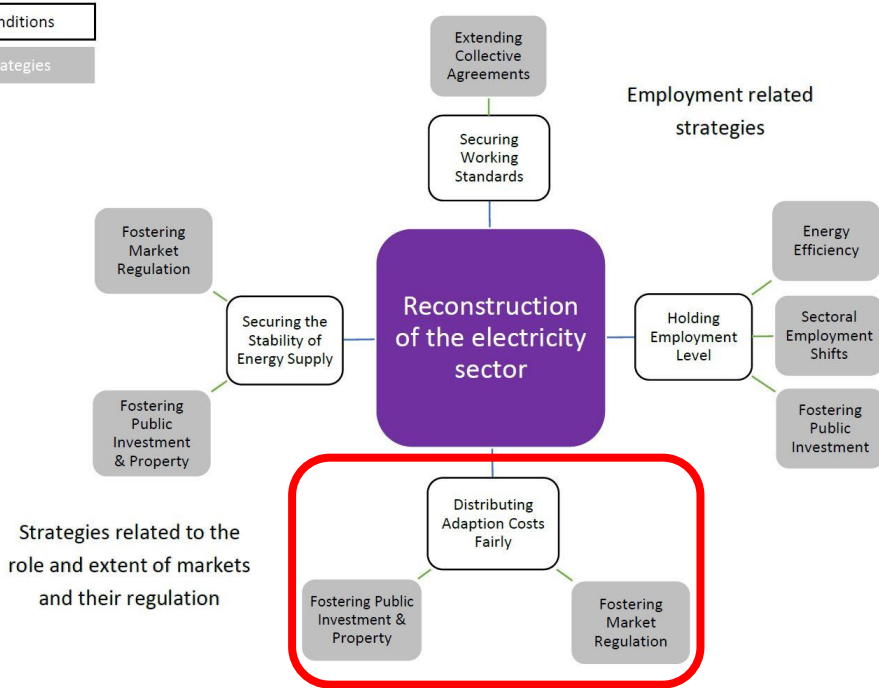


Fair Distribution of Costs

growing social imbalances within ongoing energy transition: households and low incomes carry biggest burden

Energy poverty rising -> energy loses its status as a public good; basic service (current market-based solutions are increasing the burden for the poor; profits are favor over societal goals)

Strategies: foster increased public good provision and market re-regulation

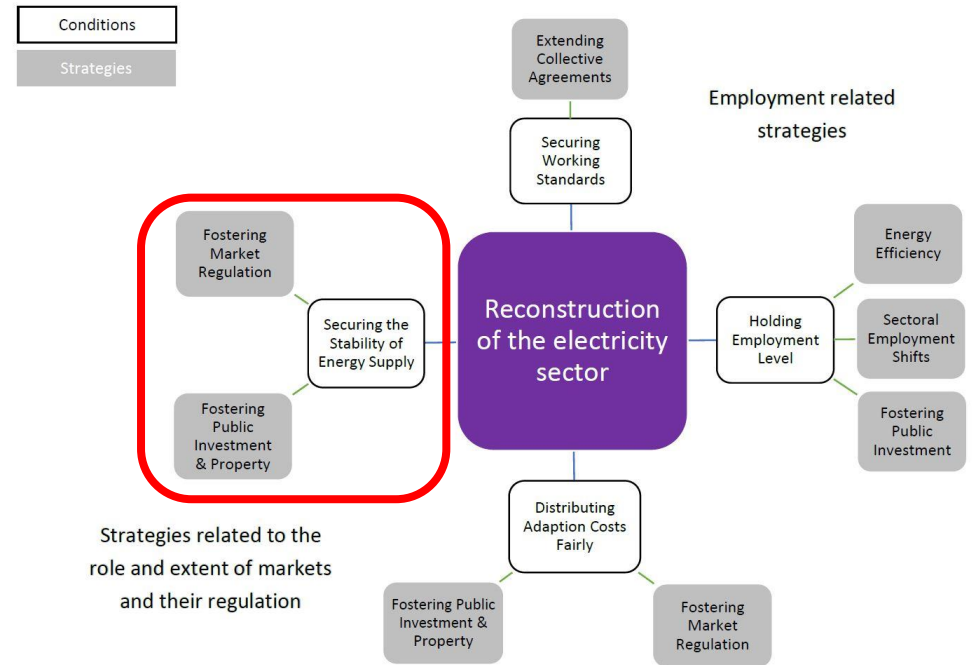


Security of Energy Supply

on-going energy transition pose threat to security of energy supply
(market-solutions lead to rising volatility and reduced system responsibility of participants)

security of energy supply: in terms of availability for households and also as cheap energy for industry as basic condition for renewed growth

Strategies: foster increased public good provision and market re-regulation
(coordinated public strategy instead of market incentives)



Conclusion

Strong criticism of current development trends and major political decisions

(Liberalisation & privatisation, market-based solutions, rising costs for low incomes and increased energy poverty, operating outside of the collective agreements)

How Austrian trade unions accompany transformation?

- trade unions act proactively if **link between core objectives and positions with environmental issues** is strong
- trade unions emphasize the **social dimension** of structural change and transformative processes
- trade unions try to **guide the process** of transformation through the role of public ownership and investment, and by securing employment and working standards
- However, in a neoliberal politico-economic environment Austrian trade unions are faced with **countercurrents** over the last decades (tendency to focus on core objectives leaving aside environmental issues)
- If trade-off exist, there is a tendency to **fall back on social core objectives** leaving aside environmental considerations

Thank you for your attention!

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