

Labour and Environmental Sustainability

Italian Report

by

Paolo Tomassetti

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Executive summary

Despite the doctrinal emphasis on the need to create synergies between employment and environmental legislation, labour and the environment are subjected to silos regulation in the Italian jurisdiction. The principle of sustainability is not incorporated in Italian labour law legislation, nor environmental law has direct implications for labour law domain. In contrast, the Italian system of industrial relations stands out as a potential channel of integration and convergence between labour and environmental sustainability. In principle, legal and institutional characteristics of collective bargaining allow firms, workers' and employers' representatives to negotiate on environmental issues.

The historical evolution of industrial relations in Italy shades light on the continuity and tension between two contrasting patterns: one in which growth, income and job protection tend to prevail over environmental interests and those of local communities in contiguity with industries; the other in which social partners seek to advance the (controversial) ideas and ideals of just transition and sustainable developments in parallel with the defence of jobs and decent work.

Despite Treadmill of Production being the dominant logic of collective action during much of the modern (post-World War II) industrial era, a long wave of Just Transition can be identified starting from late 1960s, as Italian trade unions' struggles for decent and healthier working environments (indirectly) contributed to making production processes more sustainable for the broader environment and communities far beyond the workplace. The long wave of Just Transition identified in the industrial era of Italian capitalism is nowadays reinforced and made more visible by an explicit integration of labour and environmental protection through collective bargaining and social partnerships.

An overall consensus of national social partners is observable around the idea that, thanks to technological advancements, Industry 4.0 and the circular economy, growth can be decoupled from environmental degradation. There are many collective bargaining examples and Just Transition cases that already go in this direction. We find examples of multilateral alliances for sustainable development, as well as social dialogue and policy initiatives with clear commitments on the Just Transition, how to achieve it and how to make labour and environmental sustainability convergent. Social partnerships on these aspects include the involvement of workers representatives in environmental decisions or

the integration of environmental policies within the occupational health and safety realm. Other examples include the negotiation of pay raises linked to green targets, such as energy efficiency and conservation, or the promotion of functional and geographical mobilities for workers involved in restructuring for environmental reasons. The negotiation of re-skilling, redeployment and early retirement plans to deal with job displacement is another example, along with collective bargaining measures to make job classification systems more respondent to the green jobs labour market, or to promote sustainable forms of workforce mobility and commuting.

Despite this, between words and deeds on the need to combat global climate change is still a large gap, and opinions and reality on Just Transition are often oceans apart. While everyone agrees on the need for a Just Transition, the idea of justice on the ground, is still open to debate and conflict. In many cases, labour and capital interests still prevail over environmental ones and new dimensions of Treadmill of Production emerge in the Just Transition era.

What actually constitutes a constraint to be eliminated or a resource to be utilized is still unclear in contemporary social partners' strategies to promote Just Transition in Italy. As for any transitional phase in which a new stable model has not yet emerged, this situation generates pragmatic and adaptive behaviours in which contextual variables are of paramount importance. As a result, in contrast to other countries, different logics of collective action in Italy only partially fit into Just Transition theoretical classifications: instead of being mutual exclusive within a clearly identifiable country model and between different trade unions, they coexist and are intermingled in variable guises, depending on economic and institutional constraints that transitional practices involve, except for the most radical positions that confederal unions tend to avoid.

1. Introduction and research design

This report investigates the labour-environment nexus with the lenses of the Italian industrial relations system. By looking into the historical evolution of industrial relations in Italy, the report analyses how, why and the extent to which environmental sustainability as a value and normative goal has been embraced by Italian trade unions, employers' associations, firms and public authorities. Fails and successes of social partners and collective bargaining to deconstruct the trade-off between labour and the environment are discussed, along with the theoretical implications for labour law and industrial relations theory.

Section two of the report reviews the Italian theoretical debate on the intersection between labour and environmental sustainability. The literature review focuses on law texts. Many epistemological insights on labour law and industrial relations emerge. Among the others, the literature review focuses on how and why environmental sustainability, both in its radical and mainstreamed conceptions, challenges the traditional articulation of the conflict of interest between labour and capital, along with unions' logics of collective actions. The literature review also reflects on the evanescent notions of "work environment" and "workplace", by showing how the physical and conceptual boundaries between internal and external environment tend to collapse in modern societies, and what implications this involves for policies and regulation.

Linked to the theoretical discussion on the labour-environment nexus, section three presents the key features of industrial relations in Italy and focuses on their implications with the environmental crisis. Despite the principle of sustainability is not incorporated in Italian labour law legislation, nor environmental law has direct implications for labour law and industrial relations, significant exceptions stand out from the analysis of the industrial relations system. These exceptions are presented and discussed in this section, as well as in the following one.

The historical evolution of industrial relations in Italy and their implication with environmental sustainability is based on semi-structured interviews with employers and workers' representatives and (Italian) secondary sources including seminal monographs, inquiry books and articles in the field of labour law, industrial relations, labour and industrial history. The semi-structured (one-to-one) interviews served to complement secondary sources with further information on

the past and present implications of Italian industrial relations for the environmental crisis. Interviews also functioned to collect the most relevant existing collective agreements and policy documents on Just Transition and environmental sustainability. The interviewees included both employers' and workers' representatives. As employers' associations were not available, HR managers from key industrial companies were interviewed. The interviews were conducted between March and July 2019 by the author and two junior assistants. Annex 2 provides the list of people interviewed.

Focus group discussion took place to gain in-depth understanding of the research topic, as well as to discern social partners' views and experiences on current and future challenges of JT for labour and production processes. During the focus group, early results of this research were presented to obtain feedback from the social partners and a research expert from Fondazione Di Vittorio. The focus group was held on October 4th, 2019, in Rome and was moderated by the author, was assisted by a junior researcher who audio-recorded the discussion and took relevant notes. Annex 2 provides the list of people involved.

Thanks to the information gathered from the interviews and the focus group, a number of unilateral texts, collective agreements and pacts on environmental sustainability and sustainable development were collected and their content analysed to identify key patterns and trends on how unions and business associations are dealing with environmental aspects along with challenges and opportunities that JT involves. Methodological aspects on how the analysis of collective agreements is conducted are in Annex 1.

The last section recaps the main findings of the report and concludes.

2. Theoretical Perspectives on Labour and Environmental Sustainability: a Review of the Italian Literature

Traditional justifications of labour law and industrial relations are based on the idea that a conflict of interests exists between labour and capital. The employment contract and collective bargaining are two institutions to settle this conflict of interest and to strike a balance between the social and economic dimensions of sustainability: on the one hand, *Labour is not a commodity* is a normative and economic affirmation that fosters decent work and protects fundamental human rights at work; on the other hand, it justifies the market economy by making it sustainable and socially acceptable. The same goes for environmental law: *The environment is not a commodity* could have been a manifesto for this discipline and policy field too. Pluralistic justifications for both labour law and environmental law developed in silos, and so are their existing regulations. The consequence is that in a market economy, regulations made to protect workers, might have negative, indirect implications for the environment and *vice versa*. Many Italian authors have criticized this normative separation between labour law and environmental law.

In his seminal labour law text-book, Vallebona explicitly lists environmental protection among labour law goals¹. Vallebona conceptualises labour law in connection with competition law. Since both legislation on labour and the environment affects production costs, he argues that labour law and industrial relations should consider the environmental effects of labour regulation and *vice versa*. Vallebona focuses on both micro and macro-economic aspects. He argues that, in a globalised economy, environmental and labour legislation in Western jurisdictions might have the effect to incentivize the establishment of the most polluting production activities where labour and environmental costs are lower.

Del Punta made a similar claim in a research published in 1999². He observes that the two values – labour and the environment – in capitalist economies and

¹ A. VALLEBONA, *Lavoro e spirito*, Giappichelli, 2011, at 16.

² R. DEL PUNTA, *Tutela della sicurezza sul lavoro e questione ambientale*, in *Diritto delle relazioni industriali*, 1999, n. 3, 160.

societies tend to be considered as costs, therefore they are put in competition. Trade unions have traditionally embraced the capitalistic growth mantra on their DNA, neglecting the implications of productivity and wage growth on environmental sustainability. The author makes the case for a rethinking of the value of labour and its regulation in the light of other social values and rights, among which environmental sustainability should be considered as a priority.

Luciani argues that the constitutional emphasis on work and labour protection might hinder the importance to consider the preservation of the environment and natural resources for the quality of life of present and future generations (of workers and citizens)³.

In a monograph⁴ and an article published on the *Comparative Labor Law and Policy Journal*⁵, I analysed how and why the notion of decent work can be enlarged from the quality, safety, and justice dimensions to the paradigm of environmental sustainability. I argue that there is no contradiction between environmental sustainability and the fundamental principles of labour law, although some normative adjustments are needed to put labour regulation at work for sustainability and the environment. My research shows how several traditional provisions and practices related to the employment relationship (occupational health and safety measures, wages, compensation and benefits, working time, participation rights etc.) can be revised in the light of the principle of sustainability. The main conclusion that can be drawn from this research is that there is no need for new epistemic statutes specifically aimed at contrasting the environmental crisis and supporting the transition towards sustainable economies and societies. What is needed, in contrast, is a different way to think about labour law. Both selective and universal goals of labour law converge with the principle of sustainability to the extent that they have an impact on the root causes of the environmental crisis, i.e. human and social hierarchies and vulnerabilities. Hence, in principle, sustainability of work is equal to sustainability of the environment. The alignment between traditional functions of labour regulation and the principle of environmental sustainability can be done with few policy and normative adjustments that incorporate environmental concerns into the traditional dynamics of labour law as aimed at combining efficiency/productivity with decent work.

³ M. LUCIANI, *La produzione della ricchezza nazionale*, in *Costituzionalismo.it*, 2008, n. 2, 10.

⁴ P. TOMASSETTI, *Diritto del lavoro e ambiente*, ADAPT University Press, 2018.

⁵ P. TOMASSETTI, *Labor Law and Environmental Sustainability*, in *Comparative Labor Law and Policy Journal*, 2018, vol. 40, 101.

The Distinction Between Working Environment and Natural Environment is Deeply Flawed

Many authors recognise the importance to overcome the distinction between working environment and natural environment. However, in line with the Western approach to law, most of the following ideas assume an anthropocentric point of view, according to which the ultimate goal of environmental protection is the protection of humans and communities.

Caruso observes that EU policy documents emphasize the connection between labour and environmental protection. He argues that this is due to two reasons: the importance not to duplicate policies and normative interventions; the circularity of environmental problems⁶.

Del Punta recalls the importance that both the legislator and social partners embrace a modern and more integrated vision of the working environment, one that could reconcile occupational health and safety with the environmental and ecological issues. He maintains that the work environment is just a part of the overall environment⁷.

In his analysis of the so-called “Ilva case”, Pascucci argues that in modern, integrated and complex societies, it doesn’t make sense to distinguish between different dimensions of the environment, i.e. the internal vs. external dichotomy⁸.

Similarly, Tullini argues that Italian occupational health and safety legislation is already set to overcome the internal-external divide⁹. She maintains that from a legal point of view, labour and the environment cannot be in competition. In this respect, she recalls that Decree n. 81/2008, the Italian consolidated act on health and safety at work, at Article 2, Paragraph 1, letter n) defines “prevention” as «the set of norms or measures that, considering the peculiarities of work, the

⁶ B. CARUSO, *L’Europa, il diritto alla salute e l’ambiente di lavoro*, in L. MONTUSCHI (a cura di), *Ambiente, salute e sicurezza. Per una gestione integrata dei rischi da lavoro*, Giappichelli, 1997, 1 e ss.

⁷ R. DEL PUNTA, *Tutela della sicurezza sul lavoro e questione ambientale*, cit.

⁸ P. PASCUCCI, *La salvaguardia dell’occupazione nel decreto “salva Ilva”*. *Diritto alla salute vs diritto al lavoro?* (commento a C. cost. 9 aprile 2013, n. 85, in *DLM*, 2013, n. 3, at 673.

⁹ P. TULLINI, *I dilemmi del caso Ilva e i tormenti del giuslavorista*, in *Ius* 17, 2012, n. 3, at 164.

experience and the technique, aims to avoid or diminishing professional risks, by respecting the health of *population* and the integrity of *external environment*».

According to Loy¹⁰, the evanescence and disarticulation of workplaces today requires going beyond the flawed distinction between internal vs. external protection against environmental risks. He makes a parallel with modern wars, where soldiers are more protected than civil society.

I analysed the historical and doctrinal evolution of Italian environmental law (1948-1990) in parallel with labour law, highlighting how legislation on occupational health and safety and collective bargaining contributed to the materialization of the environmental protection at a Constitutional level¹¹.

The Principle of Sustainable Development

Civil law, constitutional law, and administrative law doctrine is more concerned with the principle of sustainable development, which involves the combination of the three dimensions of economic growth, environmental and social sustainability¹². Some environmental lawyers are claiming that environmental law is fated to disappear as a discipline, «because the study of the environment will simply become the study of the evolution of social, economic and normative systems»¹³. Others argue that the three dimensions of sustainable development cannot be separated: they all together must be balanced also when conflicts arise only between two of the three¹⁴.

A group of leading civil law scholars proposed an analysis of contractual obligations in the light of the principle of sustainable development¹⁵. Based on the principle of sustainability, Pennasilico conceptualised the idea of an “ecological

¹⁰ G. LOY, *Al principio, sta il principio della fatalità*, in L. GUAGLIANONE, F. MALZANI (a cura di), *Come cambia l'ambiente di lavoro: regole, rischi, tecnologia*, Giuffrè, 2007, at 52.

¹¹ P. TOMASSETTI, *Diritto del lavoro e ambiente*, cit.

¹² M. PENNASILICO (a cura di), *Contratto e ambiente. L'analisi “ecologica” del diritto contrattuale*, ESI, 2016.

¹³ G. ROSSI, *L'evoluzione del diritto dell'ambiente*, in *Rivista quadrimestrale di diritto dell'ambiente*, 2015, n. 2, at 3.

¹⁴ F. DE LEONARDIS, *La disciplina dell'ambiente tra Unione europea e WTO*, in *Dir. Amm.*, 2004, n. 3, at 533.

¹⁵ M. PENNASILICO (ed.), *Contratto e ambiente. L'analisi “ecologica” del diritto contrattuale*, ESI, 2016.

contract” under which when the parties regulate their own interests they should take into account of the effects of the contract on the environment¹⁶.

Trade unions research centres and activists have promoted several studies on how social partners might adjust their strategies according to the principle of sustainable development.

Falasca explored how and why environmental concerns have been gradually included in CGIL logic of collective action¹⁷. He analyses trade unions documents, congresses’ documentation and collective agreements to show the increasing attention of Italian trade unions, especially the CGIL, to environmental sustainability. He contributes to deconstruct the idea that in a market economy labour unions cannot be allied to environmental movements.

In an interview released to Carla Ravaioli, a radical environmentalist close to the Italian general confederation of labour (CGIL), Bruno Trentin (one of the most influential and charismatic intellectual leader and activist of CGIL), stressed the importance for the confederation to combine economic growth with social justice and environmental sustainability. A key argument made by Bruno Trentin was that the three dimensions of sustainability must be pursued in parallel as they have reciprocal influences¹⁸.

Battaglini, a researcher from the main CGIL research centre (Fondazione Di Vittorio), argued that time has come for trade unions to enlarge their action and innovate the related procedures of representation considering not only workplaces and the workers, but the society at large, the communities, the commons¹⁹. A new model of development based on social cohesion, economic and environmental quality, necessitates the rethinking of worker’s protection in a life course perspective that considers his/her life as a person, citizen, consumer and user of common resources that are limited.

¹⁶ See, *ex multis*, M. PENNASILICO, *Contratto e uso responsabile delle risorse naturali*, in *Rassegna di Diritto Civile*, 2014, n. 3, 753-769; M. PENNASILICO (ed.), *Manuale di diritto civile dell’ambiente*, ESI, 2014; M. PENNASILICO, *Sviluppo sostenibile, legalità costituzionale e analisi “ecologica” del contratto*, in *Persona e Mercato*, 2015, n. 1, 37-50.

¹⁷ C. FALASCA, *Lavoro e ambiente. La CGIL e la transizione alla sostenibilità*, Ediesse, 2006.

¹⁸ C. RAVAIOLI, B. TRENTIN, *Processo alla crescita. Ambiente, occupazione, giustizia sociale nel mondo neoliberista*, Editori Riuniti, 2000.

¹⁹ E. BATTAGLINI, *Ambiente e società nella tarda modernizzazione: le sfide per il sindacato*, in *Quaderni di rassegna sindacale*, 2010, n. 2.

Gianni Alioti, former responsible of the occupational health and safety department at FIM-Cisl (one of the most representative trade unions organisations in the Italian metalworking industry), wrote several books on the implication of production activities on the environment²⁰. His analysis focuses on resource productivity as a key concept for a future sustainable production model that workers should contribute to shape. The concept of resource productivity, as defined by the OECD, contains both a quantitative dimension (producing more with a given amount of natural resources), and a qualitative dimension (reducing the environmental impacts of natural resource use).

I also defined and conceptualised the idea of “green pay”, i.e. negotiated pay rises linked to green targets²¹. I focused on how and why in the analysed companies trade unions and collective bargaining contribute to ensuring that the ecological conversion of workplaces has a positive impact on wages. As cost savings can be fed into gain-sharing or ring-fenced schemes for investment in environmental improvements, his case study research shows that including green targets in staff bonus schemes is practicable through collective bargaining. I argued that negotiation on green pay might be regarded as a form of integrative bargaining in principle, since management and workers share a common interest in saving energy and minimizing waste. However, it emerges that the distributive approach rather than the integrative one is the main driver of collective bargaining on green pay. In my article on *Wages and the Environment*²², I explored how wages and the environment might interact positively. The article shows how wages can be used both as mechanisms to prompt energy efficiency and conservation at workplace and as a lever to promote fair trade and sustainable business. Non-market work is a further paradigm where an alliance between labour, wages and the environment might be turned into reality.

²⁰ G. ALIOTI, *Chico Mendes. Un sindacalista a difesa della natura*, Edizioni Lavoro, 2009; G. ALIOTI, *Salute e sicurezza. Guida al settore siderurgico*, Edizioni Lavoro, 2004.

²¹ P. TOMASSETTI, *Ecological conversion of workplaces, trade unions and wages*, in E. DAGNINO, S. FERNANDEZ MARTINEZ, K. STONE (a cura di), *Labour in the 21st Century: Insights into a Changing World of Work*, Cambridge Scholars Publishing, 2016, 209-223.

²² P. TOMASSETTI, *Wages and the Environment*, in VV.AA., *Health at Work, Ageing and Environmental Effects on Future Social Security and Labour Law Systems*, Cambridge Scholars Publishing, 2018.

Benefit corporation

Labour law literature on the so-called “Benefit corporation” is almost inexistent in Italy, despite the regulation of this kind of companies is provided in law n. 208/2015 (budget law for 2016), at art. 1, paragraphs 376-384²³. The distinguishing features of the Italian benefit corporations are: the legal duty to create general public benefit in addition to financial return; to carry out its activities in a responsible, sustainable and transparent way in favour of persons, communities, environment, cultural and social activities, associations and other stakeholders (hereinafter collectively “Beneficiaries”); and the impact of the benefit corporations’ activities must be assessed annually by the directors with a written report, and must take into account the requirements set forth in Annex 4 to the Law.

In considering the debate on Corporate Social Responsibility (CSR) and the quest for mechanisms regulating socially-sustainable business behaviour, a recent article looks at the implementation of welfare policies through a new and more advanced perspective, in order to pursue ‘the common benefit’ – including environmental sustainability – typical of a ‘benefit corporation’. Consideration has been given to relevant legislation and to recent developments in case law and legal opinion. The article stresses that Italian legislator did not create a new form of a corporation but provided for that any company can change its status and become a “società benefit”. It is the intentional creation of social and economic benefit that differentiates the benefit corporation from traditional for-profit and non-profit entities. The author highlights that benefit corporations are much concerned with the social sector and focus on the creation of collective value and environmental protection. Therefore, making reference to welfare measures in the business purpose might provide companies with higher levels of commitment and deal with the issue of accountability often referred to by the market and the civil society. Relevant legislation specifies that self-assessment might be enough. This measure can provide comprehensive and detailed results. However, at the time of evaluating the company’s fulfilment of public good, the author argues that this move is not in line with the purpose of benefit corporations and with the obligations of transparency, reliability and responsibility they have towards stakeholders²⁴.

²³ M. SQUEGLIA, *Le società benefit e il welfare aziendale. Verso una nuova dimensione della responsabilità sociale delle imprese*, in *DRI*, 2020, n. 1, 61-85.

²⁴ *Ibidem*.

The “Radical” Alternative: the Commons

Linked to the discourse on sustainable development, there is a growing discussion in private law doctrine about the evolution (or the return) of property towards *the commons*²⁵. For some, the commons are considered as a concrete alternative to capitalism decline²⁶. Others emphasise the transformative power that the idea of the commons drives on traditional socio-legal categories that have characterised the Nineteen century²⁷. A shared doctrinal assumption of the Italian doctrine on the commons is the need to look beyond the divide between public and private (law).

Commons are framed as a concrete alternative to the current social-economic model that are democratic and accountable while at the same time more efficient and effective at responding to social and environmental challenges. According to Mattei²⁸, characteristics of the commons are the following:

- *contextual* and *contingent*: they cannot be divorced from the cultural, social, economic or environmental context in which they exist; they are an integral part of complex human-ecological systems;
- the demand for a common is not transcendental but *relational*: it is the object of struggle between communities attempting to defend them and structures of authority seeking to control them;
- *equidistance* from the private and from the public: direct civic participation as an alternative to traditional hierarchical public control, which happens when the public authority simply owns the corporation.

²⁵ See, *ex multis*, G. FIDONE, *Proprietà pubblica e beni comuni*, ETS, 2017; L. RAMPA, Q. CAMERLENGO, *I beni comuni tra diritto ed economia: davvero un tertium genus?*, in *Politica del diritto*, 2014, 253 ss.; L. NIVARRA, *La democrazia dei beni comuni. Nuove frontiere del diritto pubblico*, Laterza, 2013; M.R. MARELLA, *Il diritto dei beni comuni. Un invito alla discussione*, in *Rivista critica del diritto privato*, 2011, 1, 110 ss.; U. MATTEI, *Beni comuni. Un manifesto*, Laterza, 2011; F. CASSANO, *Homo civicus. La ragionevole follia dei beni comuni*, Bari, 2004; S. RODOTÀ, *Il terribile diritto. Studi sulla proprietà privata e i beni comuni*, Il Mulino, 2013.

²⁶ U. MATTEI, *Beni comuni. Un manifesto*, Laterza, 2011; F. CAPRA, U. MATTEI, *Ecologia del diritto. Scienza, politica, beni comuni*, Aboca, 2017.

²⁷ S. RODOTÀ, *Vivere la democrazia*, Laterza, 2018, at 103-107.

²⁸ U. MATTEI, *Una primavera di movimento per la “funzione sociale della proprietà”*, in *Rivista critica del diritto privato*, 2013, n. 4, 531-550; U. MATTEI, *Beni comuni. Un manifesto*, Laterza, 2011.

A recent book by Mattei and Quarta tries to rethink all the Italian civil law discipline and regulation in the light of the commons ideal-type, as opposed to an extractive legal setting based on property rights, that was meant to transform commons into capital. They argue that this was acceptable when commons were abundant and capitals scarce, but not in modern societies where the relation between the two factors is reversed²⁹.

I looked at the alternative of the commons as the preferred socio-economic paradigm under which an alliance between labour and the environment might be turned into reality³⁰. However, the alternative of the commons challenges the traditional, pluralistic ideas of labour law, in both its individual and collective dimensions. Conflict of interests underpinning the employment contract might disappear in the context of an ideal-type of production and work activity based on collaborative commons. The same goes for trade unions logic of collective action in building solidarity to coordinate individual interests towards general interests.

Just Transition, Green Jobs and the Green Economy

Within the debate on the just transition, Rustico and Tiraboschi analysed the employment prospects of the green economy³¹. Building upon the still uncertain estimates of the green economy's occupational impact, the Authors focus on two main issues: the potential exclusion of the female workforce from green jobs, and education and training as strategic assets to foster the transition to a low-carbon economy. According to the authors, the industrial relations system can play a leading role in the transition to an economy with a lower environmental impact by supporting the reorganization and the restructuring of production, as well as in promoting skills adaptation. They conclude that collective bargaining could develop new ways of providing incentives to support the transition towards the green economy.

In a similar vein, a recent paper on the labour market implications of the just transition tries to bring back to the fore the decisive role of adequate measures for

²⁹ U. MATTEI, A. QUARTA, *Punto di svolta. Ecologia, tecnologia e diritto privato. Dal capitale ai beni comuni*, Aboca, 2018, especially 123-125.

³⁰ P. TOMASSETTI, *Diritto del lavoro e ambiente*, cit.

³¹ L. RUSTICO, M. TIRABOSCHI, *Employment Prospects in the Green Economy: Myth and Reality*, in *International Journal of Comparative Labour Law and Industrial Relations*, Issue 4, 2010, 369–387.

skills identification, development and recognition, in order to create labour market infrastructure capable of integrating sustainable development with decent work principles³². According to the author, «integrating environmental law with labour law is not sufficient if new rules, tools and financial means are not implemented supporting the very first resource promoting a just transition: people’s professional skills and capabilities»³³. The paper therefore puts forward some proposals for an original theoretical framework based on the integration between *Just transition* and *TLM (transitional labour market)* frameworks. In this connection, Casano argues that «the two frameworks (the Just Transition and the Transitional Labour Markets one) share important elements: the convergence of environmental and occupational concerns towards decent work principles; the need for an integrated approach in policy making; a multi-actorial and multi-sectorial approach with a strong role of the social partners and social dialogue at different institutional levels; the crucial role of skills identification, development and recognition; the attention to the gender dimension and to all aspects related to the promotion of work quality»³⁴.

Natural and environmental disasters

Last but not least, Tiraboschi studied the implications of labour law and industrial relations systems with both natural and environmental disasters. He argues that social partners can play a major role in terms of prevention and pro-active management of natural and environmental disasters³⁵. This argument is based on the following two broad propositions.

First, complex set of initiatives in place to support communities affected by disasters (the right to time off from work, income support, suspension of tax obligations, unemployment benefits, placement services etc.) depend on the welfare and industrial relations systems of each country. In the same way, occupational health and safety (OHS) systems can lay down strategies to tackle

³² L. CASANO, *Skills and Professions for a “Just Transition”*. *Some Reflections for Legal Research*, in *E-Journal of International and Comparative Labour Studies*, vol. 8, 2019, n. 3, 31-46.

³³ Ivi, 42.

³⁴ Ivi, 39.

³⁵ M. TIRABOSCHI, *Preventing and Managing Natural and Environmental Disasters: Employment Protection, Welfare and Industrial Relations Systems*, in *E-Journal of International and Comparative Labour Studies*, vol. 4, n. 3 September-October 2015, at 6.

natural and environmental disasters which might include the obligation to establish prevention and protective measures, to promote individual and collective protection, to inform and train workers on the general and specific risks related to their working activity and on protection equipment etc.

Second, forms of involvement of the social partners, employers and employees in the planning and implementation of prevention, mitigation and reconstruction initiatives, are associated to an overall reduction of factors of economic and social vulnerability and to an increase in the levels of community resilience.

3. Understanding Italian Industrial Relations Responses to the Global Environmental Crisis

Despite the doctrinal emphasis on the need to create synergies between employment and environmental legislation, labour and the environment are subjected to silos regulation in the Italian jurisdiction. The principle of sustainability is not incorporated in Italian labour law legislation, nor environmental law has direct implications for labour law. This is not necessarily true when it comes to analysing the relationship between industrial relations and environmental sustainability.

Italy has a longstanding tradition of industrial relations: institutions like trade unions, employers' associations and collective bargaining have played and still play a relatively important role in shaping Italy's growth model and, to some extent, the level of decommodification of the three Polanyi's fictitious commodities – labour, money and land (i.e. natural resources, the environment)³⁶.

Legal abstentionism in collective bargaining and trade unions pluralism are the key features of the Italian system of industrial relations³⁷. Except for some labour market reforms passed during the last decade, labour legislation is promoted through concertation or social dialogue that involves social partners in the law-making process at national and local level (tripartism). On the other hand, statutory and collective bargaining sources of labour law regulation are complementary and coordinated in line with the principle of delegation: most of the time, legislation is expected to be implemented and/or complemented by collective bargaining at sectoral or company level. Similarly, collective bargaining standards and other bilateral policies negotiated at sectoral level are expected to be applied and/or detailed via firm-level bargaining. As a result, labour regulation takes place at different levels and stems from different normative sources, including legislation, multi-employer agreements at national, industry and regional levels and firm-level bargaining.

³⁶ K. POLANYI, *The Great Transformation. The Political and Economic Origins of Our Time*, Beacon Press, 1944.

³⁷ G. BEDANI, *Politics and Ideology in the Italian Workers' Movement: Union Development and the Changing Role of the Catholic and Communist Subcultures in Postwar Italy*, Berg, 1995.

The Italian collective bargaining system is internally coherent with the principle of delegation. The system is based on several cross-industry agreements signed at the inter-professional level in different macro-sectors³⁸. These agreements have created a voluntary, comprehensive multi-employer bargaining model, with the national collective labour agreements (NCLAs) regarded as the cornerstone of the system³⁹. In addition to formalizing rules and procedures for collective bargaining, the cross-industry agreements are the main source of “bargaining articulation” as they define rules governing the normative relationship between the bargaining levels. However, rules on coordination and those concerned with other bargaining subjects are contractual in nature: they are self-regulatory provisions that only apply for as long as enterprises and workers’ representatives at company level voluntarily choose to apply them⁴⁰. This might result in weak vertical coordination and integration between what is agreed at central level and what is practiced in the periphery.

In principle, the three main trade unions confederations – CGIL⁴¹, CISL⁴² and UIL⁴³ – fit Hyman’s typology of unionism based on class, market, and societal affinities⁴⁴, and their positionalities on the labour/environmental nexus parallel with the taxonomy elaborated by Hampton⁴⁵, which classifies Just Transition approaches into three groups: the *radical*, adopted by class-oriented trade unions; the *neoliberal*, adopted by market-oriented trade unions; the *progressive*, adopted by society-oriented trade unions.

However, despite an explicit convergence between labour and environmental sustainability is currently visible in Italian industrial relations, views and policies

³⁸ In terms of employees and firms covered, the most relevant are those signed by Confindustria, Cgil, Cisl and Uil in January 2014 and by Confcommercio, Cgil, Cisl and Uil on 24 November 2016. Note also that Confindustria is the main Italian employers’ association in the manufacturing sector; Cgil, Cisl and Uil are the biggest Italian trade unions’ confederations.

³⁹ The origins of this system are described in G. GIUGNI, *Bargaining Units and Labor Organizations in Italy*, in *Industrial and Labor Relations Review*, vol. 10, 1957, 424-439.

⁴⁰ On these aspects, see M. PALLINI, *Italian industrial relations: toward a strongly decentralized collective bargaining?*, in *Comparative Labor Law and Policy Journal*, vol. 38, 2016, 1-22.

⁴¹ CGIL – Confederazione generale italiana dei lavoratori.

⁴² CISL – Confederazione italiana sindacati lavoratori.

⁴³ UIL – Unione italiana del lavoro.

⁴⁴ R. HYMAN, *Understanding European trade unionism: Between market, class and society*, Sage, 2001.

⁴⁵ P. HAMPTON, *Workers and Trade Unions for Climate Solidarity*, Routledge, 2015.

of central-level actors in Italy swing within such theoretical taxonomies, and do not necessarily translate into coherent actions at local level⁴⁶. Industrial relations scholars engaged with comparative research are familiar with the nuances of the Italian case. Italy has always represented the difficulty of applying analytical categories developed for the purposes of comparison: taxonomies used in comparative analysis ‘are apparently less clear, less generally applicable and less able to yield unequivocal results in Italy than they are in the other countries with which comparisons are made’⁴⁷.

This section is aimed at giving evidence to this claim by analysing the Italian industrial relations system through the lenses of Treadmill of Production and Just Transition theories.

Treadmill of Production (ToP) and Just Transition (JT) are two paradigms to frame the role of trade unions and, more broadly, industrial relations institutions in accelerating or slowing global warming and climate change. ToP is based on the idea that industrial relations institutions, despite their invaluable contribution in advancing social justice and decent work, embrace the capitalistic illusion of «infinite growth on a finite planet», which is at the root of the global environmental crisis⁴⁸. On the other hand, JT gives trade unions a key role in fostering a socially fair and JT away from fossil and other polluting, energy-intensive industries and services⁴⁹.

Italy is an excellent case study to deconstruct the alternative between ToP and JT. What emerges from the analysis of interviews, case studies and collective agreements is that, within the historical evolution of the Italian industrial

⁴⁶ I. REGALIA, M. REGINI, *Between voluntarism and institutionalization: Industrial relations and human resources practices in Italy*, in R. LOCKE, T. KOCHAN, M. PIRE (eds), *Employment Relations in a Changing World Economy*, MIT Press, 1998, 131–163; M. REGINI, *Uncertain Boundaries. The Social and Political Construction of European Economies*, Cambridge University Press, 1995; R. LOCKE, *Remaking the Italian Economy*, Cornell University Press, 1995.

⁴⁷ M. REGINI, *Uncertain Boundaries*, cit. 68.

⁴⁸ E. GOODSTEIN, *The trade-off myth: Fact and fiction about jobs and the environment*, Island Press, 1999; K.A. GOULD, D.N. PELLOW, A. SCHNAIBERG, *Interrogating the Treadmill of Production: Everything you wanted to know about the Treadmill but were afraid to ask*, in *Organization & Environment*, 2004, n. 3, 296–316; B. OBACH, *New labor: Slowing the Treadmill of Production?*, in *Organization & Environment*, 2004, n. 3, 337-354.

⁴⁹ C. LIPSIG-MUMME, S. MCBRIDE (eds), *Working in a Warming World*. Kingston, McGill-Queens University Press, 2015; N. RATHZEL, D. UZZELL (eds), *Trade Unions in the Green Economy: Working for the Environment*, Routledge, 2013.

relations, there has been a continuum and a circular relationship between ToP and JT.

The historical and current evolution of industrial relations sheds light on the continuity and tension between two contrasting patterns whereby: growth, income and job protection prevail over environmental and local community interests in contiguity with industries (ToP); social partners advance the (controversial) ideals of JT and sustainable development in parallel with defending jobs and decent work. As for any transitional phase in which a new stable model has not yet emerged, what constitutes a constraint to be eliminated or a resource to be utilized is still unclear in union strategies to promote the Italian JT. This situation generates pragmatic and adaptive behaviours in which contextual variables are of paramount importance. Existing conceptual frameworks on the labour and environmental nexus, as a consequence, are only partially suitable to capture the peculiarities of the Italian model in comparison to broader trends. Yet the Italian case provides a particularly good and clear example on the complementarities between ToP and JT. The theoretical and practical implications of these complexities are analysed in the following sections.

3.1. Treadmill of Production Era

Following the approval of the Italian Constitution, Italian civil society awareness of the environmental implications of industrial activity has been slow to mature. The idea that health is an indispensable and inalienable workers' and citizens' right also developed with some delay in the Italian trade union movement⁵⁰. In the post-World War II reconstruction, growth and industrialization have been political and socio-economic priorities necessary to build up Italy's democratic order⁵¹.

The environmental effects of new models of production lagged behind in central trade unions' agenda: they were considered a minimal sacrifice that was worth paying on the 'altar of industrialization'⁵². When businesses unleashed a strong

⁵⁰ L. MONTUSCHI, *Diritto alla salute e organizzazione del lavoro*, Franco Angeli, 1976, 11

⁵¹ S. LUZZI, *Il virus del benessere. Ambiente, salute, sviluppo nell'Italia repubblicana*, Laterza, 2009, 24.

⁵² L. MONTUSCHI, *op. cit.*, 42. See also K. CALAVITA, *Worker Safety, Law, and Social Change: The Italian Case*, in *Law & Society Review*, 1986, vol. 20, n. 2, 189-228; F. CARNEVALE, A. BALDASSERONI, *Mal da lavoro. Storia della salute dei lavoratori*, Laterza, 1999, spec. 147-229

offensive against workers' rights, thanks to the wide accessibility of a low-cost and low-skilled workforce flowing from the agricultural exodus, unions responses focused not only on protecting the health of workers inside factories⁵³, but on elaborating a collective strategy to address contingent workers' needs and above all guarantee their basic livelihood⁵⁴.

Regarded as an opportunity to escape from rural conditions and material scarcity, the paradigm of development dominated the phase of the so-called Italian miracle, in continuity with the industrial policies of the corporatist period⁵⁵. The fascist stereotype of the subordinated citizen influenced the post-war model of 'the resigned and fatalistic' worker, who accepts, without compulsion, 'the dogmas of rationalizing Taylorism'⁵⁶. It was within this paradigm, removed from any reference to the dimension of sustainable development and somehow antithetical to the ideal of progress, that the political and social consensus of workers and trade unions concentrated around those business initiatives that, in the early post-war decades, radically reshaped vast territories of the country⁵⁷.

Union 'awakening' to the environmental and health implications of industrial activities paralleled workers' rapid political development in some cities and sectors⁵⁸.

«The intense bargaining round concerning environmental conditions of work involved thousands of workers in the 'warm autumn' of the early 1970s: this was not only a step forward in improving occupational health and safety and overall working conditions, but a remarkable example of collective participation in a different and more sustainable design of work organization» (WR5).

⁵³ S. LUZZI, *op. cit.*, 41.

⁵⁴ C. FALASCA, *Lavoro e ambiente. La Cgil e la transizione alla sostenibilità*, Ediesse, 2006, 46

⁵⁵ F. DE FELICE, *Nazione e sviluppo: un nodo non sciolto*, in F. BARBAGALLO (a cura di), *Storia dell'Italia repubblicana. Volume secondo. La trasformazione dell'Italia. Sviluppo e squilibri*, Einaudi, 1995, tomo 1, 838; C. FALASCA, *op. cit.*, 39-42

⁵⁶ L. MONTUSCHI, *op. cit.*, 12.

⁵⁷ Cfr. M.L. RIGHI, *Le lotte per l'ambiente di lavoro dal dopoguerra ad oggi*, in *Studi Storici*, 1992, n. 2-3, 619; S. ADORNO, S. NERI SERNERI, *Per una storia ambientale delle aree industriali in Italia. Introduzione*, in S. ADORNO, S. NERI SERNERI (a cura di), *Industria, ambiente e territorio. Per una storia ambientale delle aree industriali in Italia*, Il Mulino, 2009, 25.

⁵⁸ L. MONTUSCHI, *op. cit.*, 12; M.L. RIGHI, *op. cit.*, 619.

While the ‘struggle against Taylorist work organization’ of the late 1960s and early 1970s came to acquire symbolic value as the first step towards the construction of a more humane society⁵⁹, uneven industrial and socio-economic development⁶⁰, led to diverse unions responses to environmental problems. From the late sixties, the contiguity between industry and residence triggered environmental protests by local communities and the unions in the most industrialized areas. In 1972, the Cremona sections of CGIL (Confederazione generale italiana dei lavoratori), CISL (Confederazione italiana sindacati lavoratori) and UIL (Unione italiana del lavoro) strongly opposed further expansion of the Amoco Corporation plant, an oil refinery which later became the property of Tamoil⁶¹. For the first time in 1974, chemical risks for the population living around the petrochemical plant of Marghera were discussed in a union assembly⁶².

The Seveso Icmesa disaster of 10 July 1976 was the first episode in Italian history in which environmental risk showed its destructive potential far beyond the workplace:

«Unions’ attitude towards the relationship between the factory, the environment and local communities changed forever» (WR7).

The Seveso drama was a turning point between two moments: from a situation in which workers’ health and safety in the factory became the priority, to one in which the public dimension of health and safety enlarge to a wider and complex scenario wherein the environmental effects of production are suffered by the environment and communities surrounding the industrial plant⁶³. The illusion that what happened inside factories would have had no substantial impact on the natural environment and communities demonstrated its fallacy. The environmental disaster of Seveso, and the one that followed at the Anic (Enichem) in Manfredonia (September 26, 1976)⁶⁴, contributed to deconstructing not only a

⁵⁹ M. REGINI, *Uncertain Boundaries*, cit., 125.

⁶⁰ G. BEDANI, *op. cit.*; R. LOCKE, *op. cit.*

⁶¹ S. RAVELLI, *Morire di petrolio. Trent’anni di lotte radicali a Cremona contro l’inquinamento ambientale, economico, sociale e politico*, Reality Book, 2014, 11.

⁶² F. CASSON, *La fabbrica dei veleni. Storie e segreti di Porto Marghera*, Sperling & Kupfer, 2007, 27.

⁶³ C. FALASCA, *op. cit.*, 61.

⁶⁴ G. DI LUZIO, *I fantasmi dell’Enichem. La lezione di civiltà di un operaio del petrolchimico di Manfredonia*, Baldini Castoldi Dalai, 2003, e, ancora, S. LUZZI, *op. cit.*, 152-155.

popular belief, but also a mindset that characterized the attitude of unions, politicians and the judiciary system⁶⁵.

Despite both environmental law and labour law began to deal with the issue of sustainability of production processes for workers and the overall environment, instead of converging on a shared and holistic programme for sustainable development, the contradictions between the social and environmental dimensions emerged, turning into a dramatic conflict between two cultures that, at that time, appeared hardly reconcilable: the industrialist one, strongly supported by the labour movement at that time, and the environmentalist one⁶⁶.

The struggle of the late 1960s and early 1970s to change work organization helped to accelerate restructuring in the following years: in the 1980s an increasing number of firms found that important sectors of the labour movement were ready and willing to negotiate change in production processes⁶⁷. Within sectors most exposed to environmental regulation, this cooperation also resulted in mitigation and adaptation policies to reduce the impact of production on the environment and local communities. When the economic recession of the mid-1980s put production costs under pressure, however, the trade-off between labour and the environment re-emerged, and the bargaining priorities of unions refocused on the primary objective of protecting jobs and plants, especially in those sectors and areas where the crisis hit harder⁶⁸.

«In this context, conflicts between individual and collective interests concerning the strategies to combat the environmental impact of production arose within the labour movement» (WR7).

Emblematic was the Montedison case in the Marghera harbour⁶⁹, in which the sensitivity and complaints of individual workers regarding the protection of health

⁶⁵ S. LUZZI, *op. cit.*, 148; N. PENELOPE, *Seveso. 1976-2006*, Nuova Iniziativa Editoriale, 2006, 36-37. See also L. CENTEMERI, *Ritorno a Seveso. Il danno ambientale, il suo riconoscimento, la sua riparazione*, Bruno Mondadori, 2006.

⁶⁶ L. CORONA, *Industrialismo e ambiente urbano: le molte identità di Bagnoli*, in S. ADORNO, S. NERI SERNERI (a cura di), *op. cit.*, 203.

⁶⁷ M. REGINI, *Uncertain Boundaries, cit.*, 125.

⁶⁸ S. ADORNO, S. NERI SERNERI, *op. cit.*, 27.

⁶⁹ S. LUZZI, *op. cit.*, 126-130.

and the environment inside and outside the factory, ended up in collision with the interests of production and the ‘controversial position of the confederal unions’⁷⁰.

As welfare and social benefits linked to growth reduced with plant shutdowns and the physical environment deteriorated following the industrial desertification of many areas of the country, unions were again more willing to generalize their voice and collective action for environmental purposes⁷¹.

«The ‘rising expectations’ of well-being, employment development and welfare generated by industrial activities was inevitably followed by de-industrialization and a new environmental awareness spread amongst citizens and workers of former highly-intensive industrialized areas» (WR5).

Environmental disasters and industrial desertification process, in fact, not only involved an increase in abandoned areas of high environmental risk⁷², but also the development of a new political and social awareness of the need to preserve the natural environment and local commons⁷³, which until then was perceived as optional compared to primary interests linked to income and job protection.

The Chernobyl disaster of 26 April 1986 and the anti-nuclear referendum that followed also contributed to bringing the so-called ‘external environment’ back on central unions’ agenda⁷⁴. For the first time, the collective agreements of the late 1980s and early 1990s introduced measures to prevent environmental risk and promote energy efficiency and conservation⁷⁵. In 1988, Bruno Trentin (then General Secretary of CGIL) defined a healthy, safe and clean environment as a fundamental right of workers and citizens:

⁷⁰ F. CASSON, *op. cit.*, 146 and G. NEBBIA, *Breve storia della contestazione ecologica*, in *Quaderni di Storia Ecologica*, 1994, n. 4, 19-70, § 17; G. NEBBIA, *Contributo a una storia della contestazione ecologica*, *ivi*, 1993, n. 3, 111-114, e G. NEBBIA, *La contestazione ecologica*, in *Sociologia Urbana e Rurale*, 1990, n. 31, 27-36.

⁷¹ M. NUCIFORA, *Pianificazione e politiche per l’ambiente. Le aree industriali italiane nel secondo Novecento*, in S. ADORNO, S. NERI SERNERI (a cura di), *op. cit.*, 317.

⁷² E. ARMANO, C.A. DONDONA, F. FERLAINO (a cura di), *op. cit.*

⁷³ (Tiraboschi, 2014)

⁷⁴ E. BATTAGLINI, *Ambiente e società nella tarda modernizzazione: le sfide per il sindacato*, in *QRS*, 2010, n. 2, 129.

⁷⁵ C. FALASCA, *op. cit.*, 73-75.

«This stance represented a turning point, because that right had not been considered as essential for a long time within the union movement» (WR5).

Despite these positive developments, the area of consensus among Italian social partners on environmental policies remained relatively narrow during the 1990s, with emphasis placed on verified compliance with legislation, the improvement of environmental audits, and increasing use of environmental representatives in plants in some sectors. The social partners did not yet recognize environmental concerns as a priority for negotiation. Responsibility for companies' environmental policy largely remained a firm prerogative and only in exceptional cases were they ready to involve shop floor and trade-union representatives.

3.2. Just Transition, Social Partnerships and Collective Bargaining on Environmental Sustainability

The overview outlined in the previous section showed how and why Italian trade unions have historically dealt with environmental sustainability as a short-term problem: only when the environmental crisis actually materialized or was linked to contingent problems and workers' needs, they took action in defence of the environment. Conversely, in periods of economic downturn, ToP was the prevalent – although not the unique – logic of collective action of Italian trade unions and business.

Today things are changing. Italian social partners are more and more concerned with the environmental crisis and the effects this could have on current and future generations of workers and businesses. Overall, among union confederations there is consensus that 'there are no jobs on a dead planet'⁷⁶. The same goes for the other side of industry:

«There is no business without natural resources and a clean environment» (EO5).

Many union organizations, at both national and local levels, take regular part in the *Friday for Future* initiatives, including the global climate strikes.

⁷⁶ ITUC, *Climate Justice: There are no jobs on a dead planet*, Frontlines Briefing, March 2015.

«Workplace assemblies are organised all across the country to discuss the climate emergency and struggle for climate justice, to raise awareness among workers on the issue of global climate change, the dramatic consequences for the planet, and the need to act quickly to guarantee human rights, social justice and full employment» (WR8).

The Driving Forces

These changes were driven by three main convergent forces: (i) the escalation of the global environmental crisis and the consequent normative initiatives adopted at both UN and EU levels, including the Paris commitments of 2015 and the UN 2030 Agenda, which also prompted international union confederation to take action against climate change and coordinate the efforts of national affiliates towards this goal; (ii) the acceleration of the environmental crisis within certain areas of the Italian territory, the consequent growing awareness by civil society of the effects that climate change can produce on vast areas of the country; (iii) and the parallel process of transition away from coal that many companies have initiated during the last decade in response to national and international normative pressures, such as the 2017 National Energy Strategy (NES), a ten-year plan of the Italian government to anticipate and manage change in the energy system. Beyond these reasons, the idea of “infinite growth on a finite planet” came to an end as a matter of fact in Italy: the country’s economy stagnates since early Nineties; hence the problem of balancing labour and environmental sustainability became structural and a long-term sensibility emerged among social partners.

Social Partners’ Views and Policies

Against this background, in March 2018, CGIL (Confederazione generale italiana dei lavoratori) launched the so-called ‘Integrated Platform for Sustainable Development’, which aims to keep environmental protection, legality and job creation under the umbrella of the labour union’s collective bargaining initiatives.

«In a phase marked by two parallel transitions – environmental and technological –that will profoundly affect lifestyle, economic and employment models, CGIL tried to offer an integrated answer to both issues, by proposing a different development model» (WR5).

The platform seeks to promote a ‘multi-level approach’ based on three vectors – i.e. air, water and land – and on issues relating to the urban environment such as mobility, waste management and construction. The ultimate goal of this platform is to make the green economy a driving force for new employment and the JT towards a decarbonized world. However, CGIL representative involved in the focus group pointed out that JT is inevitable, yet this is not a spontaneous and irenic process:

«Interests are divergent both between labour and capital, and between different unions federation. Participation and collaboration are of paramount importance for the just transition, but most importantly they should be authentic and not cosmetic» (WR8).

CISL (Confederazione italiana sindacati lavoratori) is also vocal on sustainable development and the need to promote a JT. through social partnerships and industrial relations:

«Industrial relations should work for the common good, which combines economic goals with environmental and social justice» (WR9).

CISL narratives centre on environmental protection and sustainable development as primary goals for the confederation. Compared to other union confederations, CISL’s emphasis is more on labour market efficiency and technology:

«Investment in workers’ training and active labour market policies are of paramount importance to tackling the JT, along with the organization of work and design new job classification systems able to reflect the new occupations in the green economy» (WR9).

The key policy channel to reach these goals is the circular economy an economic paradigm ‘meant to regenerate itself’, where production and consumption waste can be turned into new material or goods for ensuing cycles. CISL representatives interviewed and involved in the focus group are convinced that energy savings and CO2 reductions will positively influence a better redistribution of productivity for workers.

Turning to UIL (Unione italiana del lavoro), the confederation efforts to support a JT away from coal is emphasized in connection to its attitude of seeing itself as a ‘citizens’ union’: environmental issues linked to public health, quality of life, soil

and landscape preservation are therefore central in UIL's narrative on sustainable development. Technology also plays an important role:

«As long as we're able to make technological advancements compatible with job protection and decent work, through collective bargaining for example, technology can be crucial for sustainable development» (WR10).

UIL also stresses the importance for the unions of engaging in a dialogue with the government and public authorities to shape sustainability policies that are able to balance all the interests involved in the JT process. The European and international levels of action are also important for the just transition:

«Unions should be aware that in the globalized economy, closing a plant in a country for environmental reasons, could imply the delocalization of production elsewhere, with the externalization of social and environmental costs» (WR10).

As a synthesis of the three approaches to JT, on 26 September 2019 CGIL, CISL and UIL launched a policy document for a model of sustainable development driven by industrial relations. The document emphasizes the need for a holistic approach that integrates the three dimensions of sustainability. The document is based on the idea that, despite the many good practices and technologies in place in the country, there is no systematic attempt to detect the overall complexity of social, environmental and economic sustainability.

«CGIL, CISL and UIL are willing to embrace the promotion of a JT, but they also recognize many contradictions in the concept along with the challenges that the shift from policies to practices involves. Sustainable development requires a deep change in personal and organizational behaviours, as well as a consistency between sustainability values, goals and daily practices» (WR8).

Based on these considerations, the policy document sets a number of recommendations for the union structures operating at sectoral and local levels, divided into the following key areas: ecosystems; climate emergency and just transition; sustainable cities; circular economy. The key means to achieve the sustainability goals linked to these policy areas are concertation with public authorities, at all levels, and collective bargaining with employers' associations and firms. Governmental industrial policies based on the principal of sustainable

development and backed by sound incentives to promote the green economy are also necessary.

Policy recommendations for collective bargaining include the following:

- concertation and negotiation at a confederation level should focus on ecosystem preservation (soil, natural resources, air etc.). This should be based on proper waste management policies, hydrogeological and seismic risk prevention, sustainable mobility, green public procurements, promotion of energetic communities and the circular economy;
- national collective labour agreements and firm level collective bargaining should focus on the promotion of sustainable work processes based on energy efficiency and conservation, CO2 reduction and the circular economy.

Drawing on the existing content of sectoral and firm-level collective agreements (see Annex 1), concrete examples of bargaining measures to combine labour and environmental sustainability are provided within the document. Gain-sharing plans linked to energy efficiency and energy conservation are the main example analysed: both employers and workers' representatives see it as an excellent mechanism to bring sustainability into the employment relationship. Other measures include: steering a share of firm profits to social and environmental investments for the territory and local communities; promoting sustainable consumption and welfare; promoting sustainable home-to-work commuting by incentivizing the use of public transportation, bicycles etc.; plastic reduction and sustainable canteens. Based on collective bargaining provisions negotiated in the chemical industry, CGIL, CISL and UIL also propose to expand traditional prerogatives of workers' representatives for occupational health and safety to environmental sustainability. The importance of using interprofessional training funds to requalify workers in view of the transition towards a greener economy is also emphasized, along with the importance to promote green public procurements and other forms of control on global supply chains.

In line with initiatives promoted by Cgil, Cisl and Uil, sectoral trade unions federations are also developing their own bargaining policies to promote sustainable development and the just transition.

For example, on 21 June 2017, Fiom-Cgil launched the guidelines for firm-level collective bargaining in the metalworking industry. Among other provisions, the document clearly states that «the environmental respect, the sustainable development of productions, energy conservation and the use of renewable

energies should become part of trade unions collective bargaining demands to management. On these topics, concertation and negotiation between workers' representatives, firms and public authorities should be promoted at both national and local level».

Similarly, within the *Strike for Future* initiatives of late September 2019, Fim-Cisl launched its action plan on climate change and sustainable development. The plan sets a road map of events and activities that the federation wants to promote within the broader political and social debate on the just transition. The initiatives include awareness and training campaigns for unions delegates on how to bargain for environmental sustainability along with a content analysis of existing firm-level collective agreements on green issues. The federation also commits to use social networks to engage workers and unions delegates in discussions on how to promote sustainable workplaces and the just transition from the bottom.

Beyond this action plan, Fim-Cisl also embraced *ethical cash mobs* among the instruments of its renewed strategy of collective action. *Ethical cash mobs* are campaigns aimed at making workers as consumers more aware of their purchasing habits. They seek to promote responsible consumption lifestyles, to inform and to spread sustainability among trade unions members, to steer their consumptions towards products and services of socially and environmentally sustainable firms. Similarly, the so-called carrotmob – often defined as an inverse boycott – is a form of pro-environmental consumption focusing on societal issues. Organized by activists, consumers swarm a predefined store and collectively buy its products, while in return, the company engages in pro-environmental actions.

Sustainability is also at the centre of the business agenda. The narrative in this case is all focused on green technology, the circular economy, energy efficiency and corporate social responsibility.

«Nowadays, many companies believe that technological investment can ameliorate both the environment and jobs» (EO2).

«My company implemented a circular model of production: wasted materials that other industrial companies see as a cost, are the input of our production cycle» (EO5).

Overall, the views of employers' representatives involved in the focus group and interviews were attuned with a number of declarations and position papers that

Confindustria, the main employers' association in the industry sector, issued on the transition to a green economy, including a manifesto on corporate social responsibility and a charter of environmental sustainability principles. Sectoral employers' associations such as Confindustria Energia, Federchimica and other federations operating in environmental-sensitive sectors are also concerned with the ecological conversion of production processes and the economy, as well as with climate change implications for business and growth. Overall, sectoral policies promoted by employers' associations are in line with the charter of environmental sustainability principle that Confindustria launched on January 2012. The document sets out shared principles and indicates the actions needed for a uniform and gradual progress towards greater environmental sustainability by outlining goals for Italian companies. Member companies and organizations that voluntarily adhere to the Charter commit themselves to integrate the chart principles and commitments in their activity and their growth paths. In 2018 Confindustria also published a manifesto on corporate social responsibility. The manifesto is based on the idea that today's entrepreneurs must face a new scenario in which sustainable business is a prerequisite to create shared value for everyone. In this context, Confindustria considers corporate social responsibility, and their social and environmental implications, an asset for competitiveness.

Social partners share the idea that dialogue and collective bargaining on energy efficiency can bring significant productivity improvements, as it allows to produce the same amount of output by consuming less material. Also, the so-called energy transition has not only implications for energy generation, and distribution ("smart grids" are becoming more and more widespread), customer relationships and market organisation. It requires new professional figures, characterized by both hard and soft skills. This is because technological and energy changes are creating new jobs and they are also modifying existing ones. Firms and their HR divisions are therefore called to work closely with trade unions in order to deal with these very fast transformations.

On these aspects, in 2011 the Italian union confederations, CGIL, CISL and UIL, and the employers' association, Confindustria, had already signed a policy agreement on energy efficiency and conservation. This document was based on the idea that dialogue and collective bargaining on energy efficiency can bring significant productivity improvements and positive environmental outcomes, allowing the production of the same amount of output by consuming fewer natural resources (so-called "decoupling").

In the document, the parties note that the European Union established important environmental targets for the Member States. Moreover, they briefly recap the Italian case, by underlining Italy's dependency on foreign energy as well as the advanced nature of the manufacturing sector in the country. It is precisely the secondary sector that, according to the signatory parties, represents the key area where the challenge of sustainability must be taken up. The parties, indeed, support the view that there should be a new Italian industrial plan, based on the acknowledgement of the main assets of manufacturing, the establishment of quantitative goals and economic incentives for energy efficiency, and the support for the strategic positioning of Italian technological competences. This industrial plan would assume a long-term perspective, according to which the efforts for energy improvement would not be considered as costs, but structural investments. After stating the need of a cost-benefit analysis of energy efficiency, which moreover boasts of a significant development potential, and introducing the delicate issue of energy consumption in public administrations, the parties conclude the joint notice by defining some shared initiatives for the future. They agree to commit themselves strongly to inform and train businesses and workers on the issue of energy efficiency, through the launch of sectoral working tables, the development of dedicated training courses as well as the preparation of professional registers for experts in the subject. Secondly, they identify as a subject of collaboration the commitment to include energy saving among the objectives of performance-related bonuses defined by decentralised collective bargaining; moreover, they plan to draft a number of proposals aimed at making public administrations' buildings more energy efficient as well as to activate a Plan of Cooperation with the Coordinating Body of Regions and Ministers. In conclusion, after committing themselves, within their respective areas of competence, to sustain the binding nature of European goals in the fields of energy efficiency and saving, the parties wholeheartedly advance the request for the creation of a discussion table with the Government.

Collective bargaining over environmental issues

Content analysis of collective agreements shows that there is a wide range of collective bargaining measures through which several traditional provisions and practices regulating the employment relationship can be revised in the light of the principle of sustainability.

They include pay rises linked to energy efficiency and conservation targets; unions involvement in CSR; initiatives aimed at promoting behaviours to greening

workplaces and commuting; negotiations of training programs for green skills development in case of restructuring; using of smart working schemes to reduce CO2 emissions linked to commuting; adaptation of traditional OHS measures to prevent environmental disasters; involvement of workers representatives in environmental policy setting and implementation at sectoral or firm level; green clauses in sub-contracting; ethical cash mobs to make workers as consumers more aware of their purchasing habits, to mote responsible consumption lifestyles, to inform and to spread sustainability among trade unions members, and to steer their consumptions towards products and services of socially and environmentally sustainable firms.

Firm-level collective bargaining is another channel through which the principle of sustainable development informs industrial relations. Despite trade unions are more and more interested in negotiating green issues, the input in negotiation varied significantly. In some cases social dialogue and collective bargaining contributed to shaping the company commitment towards environmental sustainability, while in the others it was rather the context of corporate social responsibilities policies to prompt collective bargaining on green issue. Overall, the focus on environmental sustainability at a firm level, and the integration with HR policies, still tends to be managed unilaterally, within the codes of conduct or CSR charts. Several codes of conduct of MNEs with operations in Italy explicitly establish norms concerned with the respect of environmental standards and the principle of sustainability.

For example, ABB's code of conduct, at Paragraph 3.1 provides that «all the collaborators shall be responsible of keeping their respective workplace ordered and they shall operate with due diligence in order to prevent damages to machines and the pollution of soil, water and air. Environmental protection standards must be respected». Similarly, TenarisDalmine's code of conduct, at Paragraph 5.16, provides that «Tenaris shall respect formally and substantially the applicable environmental laws and regulations, and it expects that all the workers do the same. In the event no regulations apply, workers shall establish appropriate high-level standards by themselves. Tenaris commits itself, and it expects that all the workers do the same, to reduce the environmental impact of its operations through an efficient use of resources, transport planning, reduction of waste and emissions, as well as the proper handling of dangerous goods». Similar provisions are provided by the Bonfiglioli code of conduct, with further norms regulating violations and penalties. Article 7 of Bonfiglioli's Code of Conduct provides that: «Violation of this Code of Conduct, or failure to apply it in part or in whole,

represents non-fulfilment of contractual obligations and unethical conduct. Such violations or failures will give rise to the imposition of disciplinary sanctions, proportional in extent to the severity of the case and to the frequency of repetition. Such sanctions may assume the form of fines for damage to corporate assets or corporate image, according to the provisions of the applicable contract of employment, and in conformity to applicable worker protection legislation in the country of reference».

In terms of collective bargaining outcomes, one of the most frequent measure negotiated at a firm-level is the so-called green pay, i.e. pay rises linked to energy efficiency and conservation. Indicators used to measure green performance refer to electricity consumption (e.g. Luxottica, Almaviva, Laterlite, Renner), paper and toner consumption (e.g. Luxottica), methane consumption (e.g. Almaviva, Laterlite, Renner), water consumption and product waste (e.g. Renner). There are also cases where management and workers' representatives agreed a share of additional pay for environmental training, and set a gainsharing plan that increases pay proportionally to the number of anomalous environmental events that workers denounce (e.g. TenarisDalmine). Elsewhere (e.g. at Total), management and workers' representatives linked a share of the incentive pay plan to the goal of reducing the number of large environmental accidents.

Negotiation on "green pay" might be regarded as a form of integrative bargaining in principle, since management and workers share a common interest in saving energy and minimizing waste, as they can benefit from a part of the related savings. Although companies are concerned that an added cost will make them less competitive, costs for energy waste can make them less competitive too, and additional costs for green pay might be completely compensated by (a share of) savings. At the same time, green pay can also be regarded as a distributive mechanism as it distributes in an equal manner the benefits of the ecological conversion of workplaces and employees' eco-friendly behaviors.

Indirectly, gainsharing plans linked to (internal) quality of production can also prompt efficiency and environmental sustainability. This is the case where firm-level agreements link pay rises to parameters related to leftover products or materials (e.g. Brembo), and to nonconformity of products and services with the expectation of the commercial partner (e.g. Brembo, Fincantieri, Dayco, Lavazza, Ontex). In both cases, gainsharing plans are aimed to reduce the level of product and energy waste: leftovers and nonconformity reduce productivity and require

additional work and production to adjust and rework products and services, which in the end results in higher environmental impact of production processes.

Social Partnership with Public Authorities

Beyond collective bargaining, other initiatives involve public authorities at both national and local level: in some cases, social dialogue on environmental issues led to public-private partnerships to promote the principle of sustainable development and to provide concrete responses to environmental crisis.

Signed on September, 18th 2019 between the Lombardy Region and cross-sectoral social partners organizations, the protocol for sustainable development goes in that direction. The protocol promotes the adoption of the principle of sustainable development – in both public and private decision-making processes – in order to make Lombardy one of the leading region in Europe in terms of sustainable policies, biodiversity and ecosystem services conservation, circular economy, energy transition towards the development of renewable sources and decarbonization, thus, encouraging a coherent and integrated relationship between the economic, social and environmental dimensions. On the one hand, the Region provides for the definition of the Regional Strategy for Sustainable Development by 2020; the assessment and monitoring of the regional planning in terms of sustainability; and a catalogue of good practices and enhancement of dissemination and promotion actions. On the other hand, subscribers, which include the most representative trade unions and employers' organizations at regional level, commit themselves to implement the principle of sustainable development within their own scope of activity.

Another sign of a participatory approach of industrial relations to environmental issues comes from the Framework Agreement of April 21, 2015 regarding the management of the construction sites envisaged by the national plan for preventing and combating hydrogeological instability. This agreement is signed, on the one hand, by the Ministry of the environment and territorial protection and the Presidency of the Council of Ministers – particularly, the Mission staff for combating hydrogeological instability and developing water infrastructures – and on the other hand, by the trade union confederations Cgil, Cisl and Uil. Besides the technical element concerning concertation and cooperation procedures that are established, the agreement deserves to be highlighted here since the goal of «positively contributing to a quicker implementation of hydrogeological instability mitigation actions», is pursued «by ensuring safety at work and

environmental protection» (Article 2, paragraph 1). To achieve the agreement's goals, the parties undertake a series of duties including: a periodical newsletter of the Cgil, Cisl and Uil's task force on the planning of financed works and the progress made in their step-by-step implementation; the commitment of Cgil, Cisl and Uil to identify and involve sectoral and local trade union organisations according to the type of problems detected by the Ministry of the environment and the Mission staff; the parties' commitment to agree on other actions and initiatives that can facilitate more suitable solutions to accelerate works and relate to the local economy, by guaranteeing a low environmental impact. On the basis of this agreement, sectoral and cross-sectoral initiatives were performed, with the aim of securing the territory against the effects of climate change and hydrogeological instability.

Relevant are also those territorial agreements between social partners and local authorities through which trade unions and employers' associations seek to enhance general interests linked to the local dimension of sustainable development, especially in the most vulnerable areas. Nor should it be forgotten that trade unions more and more provide an impetus towards local institutions and political parties, by reporting the inaction of public authorities, developing and negotiating intervention plans for the social and environmental sustainability of the city or the province where they operate. Examples of these provisions include agreements on territorial resilience and anti-seismic protection measures; energy saving in urban areas; optimization of the use of natural resources and circular economy; waste management, practices of differentiated waste collection and particular forms of waste disposal applicable to some assets for common use; redevelopment and recovery of industrial areas; urban planning, preservation and promotion of a good balance between natural and urban landscape; sustainable mobility; hydrogeological instability and qualification of green areas; public authorities' controls focused on environmental safety and the measurement of harmful and polluting products' emissions; collection and payment of taxes for energy consumption; "rewarding" policies for virtuous citizens and companies, counterbalanced by penalties for citizens and companies that fail to fulfil their obligations; awareness-raising activities on environmental sustainability, through both school education programmes and preventive measures aimed at mitigating hydrogeological risks.

4. From Policies to Practices of Just Transition

The previous section showed that, in principle, the need for a JT is nowadays widely accepted and considered as inevitable within the Italian system of industrial relations. The following cases are in contrast presented to explain how controversial the actual implementation of JT policies is, and how union positions can diverge when they are confronted with economic and institutional constraints that transitional practices involve.

«Since early 2000 many energy companies in Italy, including the one that I work for, have faced significant restructuring processes to convert carbon fossil and other highly polluting industrial activities into renewable energy productions. Social dialogue with trade unions and local communities was important to balance the different interests involved in the JT, despite an inevitable divide between winners and losers in some cases» (EO4).

Until a few years ago, a few large power plants provided energy to the entire country. Today, smaller renewable plants spread across the whole country are shaping a new model of energy production, in which clean energy plays an increasingly relevant part:

«While in some cases restructuring has been successful, without major social costs for workers and local communities, in others the energy transition came with significant implications for jobs and industrial relations. In the case of my company, for example, the business transition from oil to green electricity required a change in the applicable sectoral collective agreement with an impact on human resource management and relationships with trade unions at firm level» (EO4).

The Enel Case

Enel, for example, in 2015, committed to decarbonize its generation mix by 2050, with a series of intermediate targets such as the completion of the phase-out of coal in Italy by 2025 and globally by 2030. Early reaction of the sectoral unions was concerned with job losses that the new industrial plan would have involved.

Yet Enel's commitment to involve unions, local authorities and communities in making the energy transition just, proved to be real.

«Despite the decarbonization of its production, the company wanted to maintain a leading role as (green) electricity provider all across the country and beyond, thus preserving good relationships with local stakeholders and the unions was a priority» (EO3).

In 2015 Enel launched the Futur-e project, a programme to reconvert 23 power plants and a mining area into new sustainable development opportunities for local communities⁷⁷. Some thermoelectric power plants closed in 2015-2016, as they were regarded as no longer economically and environmentally sustainable.

«Efforts made to find reconversion options, including attempts to involve workers, local communities and entrepreneurs in the property, were successful in few cases. For others, however, lack of investment and resources made any reconversion plan unrealizable in the short term» (EO3).

Under these circumstances, the company committed to reallocate workers internally, by using functional and geographical mobility. Re-skilling, redeployment and early retirement for elderly workers were crucial measures to retain skills that people had developed over many years at Enel. The company managed to relocate more than 900 employees, by also retaining their wage levels and limiting long-distance replacements.

«The involvement of unions was critical in this respect. A relatively high union density at the company (standing at around 57% of the workforce) gave greater authority to workers' representatives in negotiating the JT» (EO1).

Unions involved in the focus-group confirmed Enel's positive attitude towards them and presented this case as a best practice of JT. According to them, the longstanding tradition of good industrial relations in the energy sector facilitated the transitional process. Enel's Global Framework Agreement and the firm-level

⁷⁷ S. RUGIERO, *Decarbonisation in the Italian energy sector: the role of social dialogue in achieving a just transition – the case of Enel*, in B. GALGÓCZI (ed), *Towards a just transition: coal, cars and the world of work*, Etui, 2019, 111.

collective agreement include provisions according to which union representatives should be involved and consulted.

«Even though such provisions do not compel the company to reach agreement with union representatives, labour-management discussions on how to deal with the occupational implications of the energy transition proved to be fruitful and led to better solutions than those initially proposed» (EO1).

Reallocation and re-skilling projects were discussed within the joint labour-management committee named ‘Training and employability’ and then financed by the bilateral inter-professional fund named ‘Fondimpresa’.

Enel is convinced that decarbonization is an opportunity for the entire society, but it is fundamental that the benefits of energy transition are shared, accompanying it with widescale measures that support climatic, energy, environmental, industrial and social aspects. In July 2019, Enel’s Chief Executive Officer signed the “just transition” commitment promoted by the United Nations, which commits the Company to guaranteeing that the new jobs will be fair, decent and inclusive⁷⁸. Enel is committed to respecting the following international standards both within the company and having them respected by its suppliers: social dialogue with workers and their trade unions; respect for worker rights (including those regarding safety) on the basis of the requirements of the International Labour Organization (ILO); social protection, including pensions and health care; salary guarantee, also those in line with the ILO directives.

Enel recently confirmed its commitment to close coal-fired plants in Italy by 2025, in line with its decarbonization strategy and as required by the Italian Integrated National Energy and Climate Plan. The plan envisages the progressive replacement of the company’s 6.2 GW of coal-fired plants with new renewable capacity, storage plants, and, to the extent strictly necessary for system stability, gas plants to be located in the sites where Enel is currently present with coal units. A new phase of social dialogue and negotiations between Enel and Italian Unions aimed to manage the effects on employment of energy transition is about to start.

⁷⁸ ENEL, *Commitment to the fight against climate change*, 2019, 7.

The Oil Sector and the Referendum on Oil and Gas Rigs

The referendum on the activities of oil and gas rigs is another (softer) example that shows how JT might become controversial for unions, and how views might differ despite a positive and collaborative attitude to JT shared among social partners. On Sunday 17 April 2016, Italian citizens were called on to express their opinion on the maintenance of oil and gas rigs within Italy's territorial waters. The referendum was finally invalid, as only 32% of Italians went to the polls, but it contributed to splitting civil society and the union front⁷⁹.

While environmental organizations, such as Greenpeace, Legambiente and the World Wildlife Fund (WWF), supported the referendum, business lobbies and labour union confederations, with few exceptions, urged the government to scrap the suspension of oil and gas rigs, in order to defend a strategic industrial sector. On the labour front, central unions in the chemical industry were vocal about maintaining offshore extractive activities.

«They were worried about potential job losses and also argued that any alternative logistic solution to importing oil and gas resources from other countries would have a higher environmental impact» (WR5).

Local unions contested this position, arguing that sustainable alternatives existed to generate green energy while protecting jobs and the environment. In the same vein, the then general secretary of the Fiom-CGIL, one of the main union federations in the metalworking sector, stated that:

«Petrol activities cannot be considered at the centre of any industrial plan to relaunch Italy's growth, whose economic and occupational asset is tourism, its cultural heritage and the craft and technological products made by small and medium-sized enterprises» (Maurizio Landini, Fiom-CGIL, Press release, 5 April 2016).

Many oil firms tried to implement an integrated approach on environmental and occupational health and safety risks' prevention. Despite the integration process is firm-led, it ends up influencing both human resources policies and industrial relations.

⁷⁹ I. ARMAROLI, *Sindacati, trivelle e il conflitto (apparente) tra lavoro e ambiente*, in *Bollettino ADAPT*, 4 aprile 2016.

For example, Saras' refinery plant in Sardinia, recently introduced an "integral" risk management system for safety, health and the environment.

«The system is a complex process based on continuous improvement and the engagement of all the firms' stakeholders, including the workforce, their representatives, public authorities and the local communities» (EO2).

In 2017, Saras received two warnings from ISPRA (Institute for Environmental Protection and Research) referred to discharges of selenium and vanadium as well as anomalies consisting in smells caused by a scorching heat reported by workers' families living in Sarroch village. Moreover, they had a high smokiness caused by the stop of a machinery working with sulfur, then a presumed radioactivity wrongly reported by a contracting enterprise.

Bonus pay in Saras is based on two macro-parameters: productivity and profits. In order to elaborate the productivity's indicator, evaluations are made on machineries considering energy efficiency too. For example, vapor's emissions are analyzed: small quantities of loses are normal, but if these loses stay under a certain level, an important goal in terms of performance-related bonus is achieved. Moreover, ovens' return is considered (fire is needed to heat oil product). More specifically, the relationship between emitted warm and transmitted warm is monitored, and this relationship depends by workers' choices and productivity.

«Despite the implications of technology on energy waste, workers still play an important role in determining levels of efficiency and conservation: directly and for the most in the ovens' return's case, indirectly in the vapor's case (employees can improve in alerting, maintaining etc.). During the year, often there are meetings with workers' representatives to monitor the trends of the indicators» (EO2).

The case of TenarisDalmine

A similar system is also regulated within the firm-level agreement of TenarisDalmine, the giant steel multinational corporation based in the province of Bergamo. For a number of years TenarisDalmine has paid attention to the involvement of the members of operational teams and steering bodies in environmental issues:

«A structural improvement can be achieved only through training, participation and the commitment of every person working at its sites» (WR3).

Cooperation with local communities is also central in TenarisDalmine development strategy.

«The company implemented an environmental policy based on the circular economy that in recent years led to a significant reduction in CO₂ emissions, water consumption and industrial waste. Thanks to significant investments in environmental sustainability, the company is nowadays able to use some byproducts of the production cycle that become raw material for other companies» (EO5).

Dalmine's plant has an internal thermoelectric power station for self-production of energy, that uses methane gas and recovers heat that is then distributed through the net of district heating to the city utilities, including schools. This system allowed the company and the local community to cut 10.000 tons of CO₂ per year.

ENVI, the corporate body specialised in environmental management, established the so-called "green hour" (better explained after), organised training courses at all operational levels, started performing targeted inspections in all areas and offered certain workers' groups the possibility of reporting the environmental anomalies observed. To enhance the contribution of workers to the plant sustainable development, the company-level collective agreement introduced, since the 1st July of 2016, the Environmental Prevention Bonus (*Premio Prevenzione Aziendale* – PPA), with the aim to promote the environmental improvement in operational areas in the form of a proper management of resources such as waste, water or chemical substances:

«The goal was to implement a system that is not only more environmentally friendly but also more efficient in the use and disposal of these resources» (WR2).

The PPA is linked to three indicators which measure the quality of prevention management in each plant or operational service: the report on the Origins of Anomalies (R.O.A.), encompassing the alerts on anomalies observed on a daily basis compared to those observed in the "green hour"; inspections; training on the

environment. As regards the first indicator, direct supervisors and operational teams are called to report the environmental anomalies occurred in their area of responsibility so as to guarantee a proper analysis that could inspire corrective and preventive actions and integrate, if it is necessary, the operational practices. The reports on anomalies can result from the daily field observation of workers and their direct supervisors and respectively, from their pre-alerts or alerts; or from the so-called “green hour”, that is the activity performed once a month by unit leaders and maintenance technicians and expressly dedicated to identifying opportunities of improvement and workers’ training on environmental issues. The indicator is measured as the Ratio of the Origins of Anomalies: R.O.A. $= (a/b) \times 100$. A percentage of the target is fixed for each annual budget. The second indicator is based on a system of inspections biannually conducted in every area by a commission composed of an ENVI technician, a floor manager and a workers’ representative for safety. This parameter, more than any other, measures the efficacy of the prevention system and the achieved level of environmental culture. The biannually inspections are performed on the basis of an evaluation form composed of three sections (water consumption, waste management, chemical substances) and 15 questions, to which the commission is called to answer with yes or no depending on whether or not the environmental rules/procedures are respected. A maximum number of negative answers (beyond which the respective share of the bonus is not provided) is established for each annual budget. The third indicator is linked to training on the environment, considered by the parties as a fundamental prevention activity, encompassing classroom training as well as on-the-job training, and the workers’ participation in the “green hour”. Annual goals regard training ratios on environmental prevention that shall be averagely provided to workers, as well as minimum rates of the workforce that during the year shall be involved in at least one training activity on environmental issues.

The Ilva Case

Beyond Saras’, Enel’s and TenarisDalmine good practices, and the “softer” case of the oil and gas rigs’ referendum, the Ilva’s environmental disaster is a dramatic example of how JT rhetoric might hide controversial complexities in unions’ and public authorities’ attitude towards the labour and environmental nexus⁸⁰.

⁸⁰ S. BARCA, E. LEONARDI, *Working-class ecology and union politics: a conceptual topology*, in *Globalizations*, 2014, n. 4, 487-503.

«Ilva is an open wound in the Italian labour movement» (WR8).

The Ilva story is a clear case of social vulnerability in which thirty years of unemployment threats have killed workers and citizens in one of the most depressed areas of Europe (Vagliasindi, Gerstetter, 2015).

«Despite its contiguity to the town, the company established a power relationship with the city and the local community, based on a job vs. environment blackmail» (WR6).

As a result, 386 people living near the Taranto's plant died between 1998 and 2010 (around thirty deaths per year) due to exposure to toxic emissions such as dioxins and carbon monoxide (Forastiere et. al., 2012). A case of non-compliance with EU environmental standards and problems of technology obsolescence (economic freedom vs. environment/health) was systematically turned into a conflict of values (employment protection vs. environmental and health protection) by the legislator, local administrators and the Constitutional Court with short-term measures and delayed compromises (Pascucci, 2013; Tullini, 2012).

«Within the historical evolution of the Ilva case, unions always refused the jobs vs. the environment trade-off. Towards the company, the government and local authorities they have been vocal in their demands to guarantee production and job continuity compatible with health and environmental protection» (WR6).

«Since the late 1990s, unions put pressure on the management to reduce the chemical activities of the Ilva plant: chemical activities are those that pollute more, but also allow the company to control the entire production cycle and make the highest profits thanks to the market independence guaranteed» (WR7).

In connection with local communities and activists, some radical positions were expressed by local union representatives when the firms' promised investment in green technologies remained unfulfilled. Yet, central union confederations and sectoral metalworkers' federations never proposed the plant shutdown as a solution to Ilva's environmental disaster. They do not see this option as a way out:

«Decontaminating Ilva's industrial area after the plant shutdown, in fact, would take much more time and imply much higher costs than those that the continuation of production involves» (WR7).

This is why they emphasise the urgency to invest in advanced technology, along with the need for the government to relaunch the Industry 4.0 plan which is considered necessary for the transition to a low carbon economy to occur. In this context, all the metalworking union federations accepted the industrial plan presented by ArcelorMittal to relaunch Ilva's activities and invest in the plant's sustainable conversion. The agreement signed with the new Ilva property in 2018 was seen as a last resort:

«Unions committed to monitoring the timing and correct implementation of the agreement, but they were also ready to ask for the plant closure in case of non-compliance» (WR6).

After one year, however, the story repeated itself, and both the government and unions were confronted with a new Sisyphean task. ArcelorMittal announced its withdrawal from the 2018 agreement, blaming its decision on a government move to scrap immunity from prosecution over environmental damage in the area, contrary to the government promise that a legal shield would have given the company immunity from possible costly prosecution related to a clean-up plan for the Taranto plant. The government was taken aback and reacted, complaining that ArcelorMittal had no legal grounds to withdraw from the contract and accusing the company of using the immunity issue as a pretext to disinvest, given the global crisis in the steel market.

The union front split again. On the one side, central confederations and sectoral metalworkers' federations opened up to a softer form of immunity, in order to guarantee the continuation of production and jobs. On the other side, local unions and the radical *Unione Sindacale di Base* promoted a referendum among the blue collar workers of the Taranto plant: 1211 workers (96.6%) voted against any legal immunity for ArcelorMittal and other investors, while 1240 (98.9%) confirmed that ArcelorMittal is not compliant with the terms of the agreement signed with the government and the unions. Most importantly, 1237 (98.6%) workers declared that, after one year, safety and environmental conditions in the factory have not improved.

Food industry

In addition to the Ilva's hard case, the recent governmental proposal to tax soda drinks and snacks in order to find resources to increase public investments in education within the 2019 budget law is another example to show how the concept of just transition is controversial.

The reaction of sectoral trade unions in the food industry was negative. Particularly, secretary general of Fai-Cisl, one of the main trade unions federations in the sector, was clear that:

«the idea to tax soda drinks and snacks is wrong and useless; instead, the government should invest in food education. (...) It is certainly important to raise the culture of food and nutrition education, even with the direct collaboration of companies. We also agree to increase sustainable products and production systems. Yet sustainability should be also social and economic, hence introducing heavy taxes that threaten work and industries that create good jobs is not an appropriate solution».

Fai-Cisl secretary general also observed that in other countries, such as France and Denmark, this kind of measures were largely ineffective. Also, he stressed that both the Italian food industry and agriculture are among the most advanced sectors as regards the adoption of green policies; in many cases they already increased the production of healthy products, packaged with increasingly lighter and completely recyclable materials. Therefore, he argued, it is important that

«the government supports our companies towards a leading role in a true ecological turn, rather than thinking about taxation on individual products. Contrarily, a global revision of taxation systems should be promoted to contrast the most polluting productions, consumption and actions with high carbon utilization, and certainly food and drink products are not among them. Ethical chains and consumer awareness should be better supported too. Unions are ready to take responsibility and to make its contribution to a real green turnaround in our economy. Yet, if taxing some products to obtain resources to increase teachers' salaries is the solution, we are faced with an old and short-sighted way of managing public affairs: paying with dignity those who educate and teach in Italy is crucial, but we cannot believe that resources can be found anyway for the next budget law».

5. Discussion and Conclusions

The sections above have explored the interplay between industrial relations and the environmental crisis in Italy. The failures and successes of industrial relations institutions to deconstruct the (false) trade-off between labour and the environment were presented. Now it is time to analyse these in the light of the theoretical framework discussed earlier.

Within the historical evolution of the Italian industrial relations, there has been a continuum between Treadmill of Production (ToP) and Just Transition (JT): in contrast to other countries, both patterns coexisted within the same national territory in time and space. During the so-called *Trente Glorieuses*, environmental concerns were rarely a matter for collective negotiation in Italy, except for some occupational health and safety issues, originally limited to protecting the so-called ‘internal environment’. Collective action was first of all aimed at bringing democracy to the workplace and making industrial development compatible with decent work.

In line with ToP theory and the path followed by unions in other Western jurisdictions, Italian unions have traditionally dealt with environmental sustainability as a short-term problem: only when and where the environmental crisis materialized or was linked to contingent problems of workers and their communities, was collective action taken in defence of the environment. Environmental sustainability was therefore considered as an instrumental goal (anthropocentric perspective), a means toward accomplishing labour contingent needs.

Industrial decline and entrepreneurial vitality were (and to some extent still are) both present in the evolution of the Italian economy⁸¹. When and where economic pressures exacerbated the conflict of interest between capital and labour at the point where jobs and the environment were directly put in competition, ToP prevailed as a logic of collective action. This evidence might partially explain why unions’ approaches to the environmental problems are essentially dynamic in Italy, and why forms of JT emerged within the ToP era.

⁸¹ R. LOCKE, *op. cit.*

Despite ToP being the main logic of union action during the Italian miracle, a long wave of JT can be identified starting from late 1960s. In many firms, labour achievements for decent work, industrial democracy and healthier workplaces contributed to alleviate vulnerabilities and making production processes more sustainable for the broader environment and communities far beyond the workplace. Beyond green clauses in collective agreements, we observe that traditional goals of collective labour law converge with the principle of sustainability as long as they have an impact on the root causes of the environmental crisis, i.e. human and social hierarchies and vulnerabilities. In context where vulnerabilities inherent in the employment relationship (democratic deficits and dependency) are exacerbated by the occupational threat, the conflict between labour and the environment materializes since workers have no option but to accept unfair working conditions and business practices potentially dangerous for their health and the environment.

The long wave of JT identified in the ToP era is nowadays reinforced and made more visible by an explicit integration between labour and environmental protection through institutional alliances, collective bargaining and social partnership. As in other advanced economies, an overall consensus of national social partners is observable around the idea that, thanks to technological advancements, Industry 4.0 and the circular economy, growth can be decoupled from environmental degradation. There are many collective bargaining examples that already go in this direction. However, between words and deeds on the need to combat global climate change is still a large gap, and opinions and reality on JT are often oceans apart.

Regardless of their logic of collective action, all the three trade unions confederations in Italy firmly refuse the alternative between labour and the environment and they carry out activities that range from radical positions against capital, to cooperation with business aimed at promoting the three dimensions of sustainability at once. In contrast to other countries, different logics of collective action in Italy only partially fit into Hampton's classification⁸² based on Richard Hyman typology on trade unionism on labour and environment between market, class and society⁸³: instead of being mutual exclusive within a clearly identifiable country model and between different trade unions, they coexist and are

⁸² P. HAMPTON, *op. cit.*

⁸³ R. HYMAN, *op. cit.*

intermingled in variable guises, depending on economic and institutional constraints that transitional practices involve, except for the most radical positions that confederal unions tend to avoid.

In analysing JT patterns, the nuances of the Italian case might reflect the fact that unions' logic of collective action is blurred and much less ideologized than in the past. Institutional differences in Italian industrial relations and different union approaches have progressively emerged across and within sectors, within different types of firms and, above all, within different industrial contexts. JT dilemmas and structural constraints make these complexities more accentuated and generate pragmatic and adaptive responses in which contextual variables are extremely important.

Despite union attempts to combine employment and environmental goals, the Ilva case is a clear example of how defending occupational levels and wage integrity still influence union choices for compromises that eventually postpone health and environmental protection⁸⁴. Similarly, latent contradictions between the social and environmental dimensions of sustainability emerged around the oil and gas rigs referendum too, turning into a conflict of interests that apparently replicated the contraposition between industrialism and environmentalism. While vertical cleavages materialised between central unions and the government, on the one hand, and local unions and environmental groups on the other, the debate around the referendum showed how the transition to a low carbon economy can create horizontal divisions within the labour front, with some sectoral union federations contesting the continuation of extractive activities.

The case studies, however, show that conflicts of interest involved in JT go far beyond the traditional contraposition between industrialism and environmentalism. JT does not imply a simplistic choice on whether priority be given to labour or environmental protection but involves complex choices on how to shift from a linear to a systemic type of protection in which both values are pursued simultaneously. The integration between ToP and JT theories displays how social partners responses to environmental dilemmas are varied and multi-layered: what they produce in order to deconstruct the contraposition between labour and the environment, is not a coherent and uniform logic of collective action, but a set of policies and practices arising out of different attempts at facing different problematic circumstances that transitional practices involve. Because

⁸⁴ E. GOODSTEIN, *op. cit.*, B. OBACH, *op. cit.*

of this, the social realm of JT can be seen as a continuum of interrelated practices that social partners may share or not according to the specific situation.

Both the oil and gas rigs referendum and the dramatic case of Ilva shows how difficult it is for both public institutions and social partners to envisage concrete alternatives to the continuation of industrial activity, alternatives that are sustainable for both local communities and the environment, without externalizing the social and environmental costs of JT elsewhere.

The support of chemical unions for the maintenance of oil and gas rigs within Italy's territorial waters was not only directed towards the protection of jobs and income but also to prevent the importation of natural resources from other countries, which would have implied a higher environmental impact for the natural environment and local communities. Similarly, Ilva's plant shutdown would not resolve the environmental disaster in Taranto: the improvement of the industrial area would require massive investment that public authorities are simply not able to sustain. Unlike successful JT stories in both Western countries and the Global South, convergence of labour and environmental protection in Taranto has not been pursued through plant closure, income support and reallocation of workers displaced. The support of sectoral unions for the maintenance of Ilva's production is therefore not only directed towards the protection of jobs and income but also to prevent higher environmental impact for the natural environment and local communities that the plant closure would involve given the lack of resource for the bonification of the area. This condition has brought Italian union confederations to put a great deal of trust in the saviour role of private investment not just to protect jobs and income, but also to preserve the environment for current and future generations of workers and citizens.

Within the JT framework, therefore, a new dimension of ToP is visible: even if unions refuse the job vs environment blackmail, accept the integration of environmental sustainability in their industrial relations agenda, and open up to non-industrial, sustainable forms of economy, they are still dependent on firms' power when private investment is necessary to actually close the transition, especially if public resources are unavailable or insufficient. Conversely, when environmental disasters are not implied in the restructuring or even closure of fossil-based industrial plants, institutional cooperation between firms, unions and public authorities stand out as an enabling factor for JT. The Enel case is a positive example in this respect, as it shows how cooperative industrial relations can promote transitional arrangements of workers and skills that are critical for

JT to happen⁸⁵. Of course, the success of this case partially flows from the solidity of the system of industrial relations that actually operates in the Italian energy sector; the potential for repetition in other countries, sectors and companies is limited⁸⁶. Yet it still proves that effective transitional labour markets governed by industrial relations institutions are able to reduce societal and labour vulnerabilities⁸⁷, thus contributing to increase workers' independence from coal and other highly intensive industrial activities.

⁸⁵ L. CASANO, *op. cit.*

⁸⁶ S. RUGIERO, *op. cit.*, at 111.

⁸⁷ M. TIRABOSCHI, *op. cit.*

Annex 1 – Social Dialogue and Collective Bargaining on Environmental Sustainability

This annex provides exemplificative examples of green clauses in collective agreements. I utilised the manual content analysis technique which industrial relations and labour law scholars have drawn upon to carry out assessments of various aspects of collective agreements⁸⁸. This ‘traditional approach’ enables the scholar ‘to immerse oneself in the texts of agreements and then, relying on the scholar’s skills in legal analysis, select the most salient examples in these texts, and identify patterns and trends that emerge from an examination of agreements made at different times and in different contexts’⁸⁹. Original texts of the Italian collective agreements are accessible on request on the ADAPT data-base “FareContrattazione” (<http://farecontrattazione.adapt.it>).

Sectoral collective bargaining

Chemical and Pharmaceutical Sector

By formalising the shared goal of a «continuous improvement of safety and health levels at work and environmental protection through a preventive and systemic management of risk factors», the parties of the National Collective Labour Agreement for the chemical and pharmaceutical sector recognise participation as the privileged method to combine «the needs of health and safety at work, respect for the environment, development of innovation and companies’ competitiveness». In this regard, the National Collective Labour Agreement makes it mandatory for businesses to provide workers and their representatives with «the necessary elements for a proper understanding and participation in improvement programmes and related initiatives like the implementation of management systems, the remediation of polluted sites, energy saving and training

⁸⁸ See for example, C. SUTHERLAND, *Mapping Complexity in Australian Enterprise Agreements: A Multi-Dimensional Approach*, in 26 *Australian Journal of Labour Law*, 2013 50, 58.

⁸⁹ Ibid, 56. Such an approach is to be contrasted with the more sophisticated empirical technique of quantitative content analysis utilising coding methods; see *ibid*, 56-59; and C. SUTHERLAND, *Enterprise Bargaining as a Tool to Reduce Regulatory Layering: A Content Analysis Study*, in *Federal Law Review*, 559, at 568-569.

activities». The parties (Article 43, Chapter/Paragraph VIII) consider the workers' representative for safety, health and the environment (*Rappresentante dei lavoratori per la sicurezza, salute e ambiente, RLSA*) as pivotal for a company strategy based on sustainability, that shall be realised through a dialogue process inspired by criteria of participation, sharing of the objectives and cooperation for their achievement. To this end, the RLSA shall be informed in specific meetings about the improvement targets and the level and nature of investments; the initiatives for remediation of polluted sites; the measures for energy saving and improvement of environmental performances; the companies' monitoring systems required by competent authorities; the initiatives for integration between monitoring and certification schemes of the management system as well as the actions for evaluation and management of health and safety aspects during the product's whole life cycle (so-called "product stewardship"). The National Collective Labour Agreement provides that the RLSA shall be properly supported by the necessary training activity which, in the last renewal, was strengthened in order to: continue and improve the initiatives already activated in some chemical regions with regard to introductory courses about the role of the RLSA, by updating, in agreement with the interested territorial parties, the organisational arrangements and course contents; carry out additional training modules for 8 hours per year, with the aim of increasing the RLSA's awareness of his/her own role, improving his/her abilities to manage communication processes as well as providing him/her with the right background elements to face, in a participatory way, the different situations in which he/she operates.

Electrical Sector

Similar rules are detected in Article 10 of the National Collective Labour Agreement for the electrical sector, which provides that, in order to combine the needs for health and safety at workplace, respect for the environment and development of production activities, «without prejudice to legislative provisions and the envisaged total number of workers' representatives for safety, they shall play their role also with regard to the environment (RLSA), by cooperating, within the scope of their prerogatives, to meet health and environmental protection targets». In order to allow the RLSAs to play their role, they will be the recipients, at the company level, of appropriate training and information programmes, which will provide them with the necessary background elements for a proper understanding of business strategies with regard to the environment, improvement programmes and assessment and management initiatives in the field of health, safety and the environment. To this end, companies are required, at their

regular meetings, in addition to what is established by legislation, to notify workers' representatives also about the environmental issues, which are significant for an understanding of environmental management systems adopted in the production unit. RLSAs shall be recipients of the necessary supplementary training activity on environmental issues, according to the training obligations under existing regulation and the indications issued by the Sectoral Bilateral Body for Health, Safety and the Environment. For this training activity, additional modules for at least 4 hours per year are envisaged. Besides the role assigned to RLSAs, the NCLA for the electrical sector allows trade unions to request meetings with management to collect information about environmental issues of corporate relevance and/or environmental balance presentation. During these meetings, the parties will make a joint evaluation of the investments' impact on environmental conditions.

Cement Sector

The National Collective Labour Agreement for the cement industry established a national joint committee with, among others, competences about: the possible problems arising from the supply of raw materials, in relation to the legal provisions on extraction and their administrative application; the use of non-conventional combustible materials and energy saving, with reference to the estimation of their effects on employment; the issues of safety at work and environmental protection, also with regard to the relationships with public institutions, as well as the critical aspects potentially arising with the transposal of European Union directives. Moreover, the parties agree that sustainable development, intended as the balanced and dynamic integration of the dimensions of economic growth, respect for the environment and corporate social responsibility, represents the inspiring model for actions able to pursue positive changes. In particular, the parties agree the following measures: implementation of measures aimed at the sustainability of industrial production processes in the sector, by ensuring the development of production capacities, and the employment protection combined with a suitable and coherent environmental strategy; adoption of a participative approach to labour relations, based on transparency and completeness of information, proper communication and the promotion of a positive business climate. The parties consider important that all stakeholders, companies and workers, act coherently with what has been explained above, to confirm the validity of existing and future shared paths, with reference to: environmental protection and CO₂ management; use of traditional and alternative

products and combustibles materials; workers' health and safety; emission monitoring and reporting; impact on local communities.

Energy and Oil Sector

Through the National Collective Labour Agreement for the energy and oil sector, the parties commit themselves, within the framework of their industrial relations system, to contribute to the definition of environmental strategies oriented to a sustainable industrial development model, based on «respect for the environment»; that takes into account «social acceptability and employment protection» and operates «in a balanced way with corporate financial, economic and production needs». These ambitions are materialised in the formal obligation faced by companies to use and develop the model for setting up an Integrated Management System for health, safety and environmental issues, as well as in the parties' commitment «to promote, in every workplace, a culture of environmental sustainability through employee awareness programmes, suitable systems of environmental management, operational procedures and workers' training programmes». To this end, the National Collective Labour Agreement compels company management to activate yearly meetings with workers' representatives to define shared actions for environmental improvement. With due regard for the parties' respective autonomies and responsibilities, the Agreement provides that yearly meetings shall concern a set of issues encompassing policies and programmes linked to the application of Integrated Management Systems and their certification; goals of adaptation to the provisions regarding major risks and integrated control; ongoing investments for the biennium and those made in the year concerning prevention, safety and environmental protection; initiatives for the management of polluted sites; programmes for energy saving, reducing pollutant emissions and other relevant environmental issues (e.g. resource use, waste management, cleaning of discharges); training programmes on health, safety and environmental protection targeted to all workers; possible cooperation with territorial joint committees with regard to training; information about risk management and its dissemination at the territorial level.

Rubber and Plastic Sector

The parties of the National Collective Labour Agreement for the rubber and plastic sector commit themselves to a joint evaluation of a number of issues, such as: the content analysis of new European and national regulations in the environmental and safety field, to evaluate the related consequences on the sector

and the subsequent, possible need to adapt the provisions of the NCLA; the analysis of environmental policies and their impact on the sector; the possible need to lobby public institutions to make legislative and regulatory changes in defense of companies' and workers' shared interests, and promote, among competent authorities, initiatives aimed at overcoming not-justified administrative constraints and boosting sustainable development; topics related to the control of emissions in the atmosphere, water discharges and solid waste on the basis of the available overall elements; possibility of identifying suitable and adequate solutions to overcome widespread risk situations, that could have been arisen; opportunity to build a bank of available data on the statistics on the accidents occurred in the sector.

Wood Sector

With the “charter of values” annexed to the National Collective Labour Agreement for the wooden furniture sector, the parties agree that sustainable development, intended as the balanced and dynamic integration of dimensions of economic growth, respect for the environment and corporate social responsibility, represents the inspiring model for actions able to pursue positive changes. In particular, the parties agree to implement measures aimed at the sustainability of production processes in the sector, by ensuring the development of production capacities and the employment protection combined with a suitable and coherent environmental strategy; to adopt a participative approach to labour relations, based on transparency and completeness of information items, proper communication and the promotion of a positive business climate. The parties consider important that all stakeholders, companies and workers, act coherently with what has been explained above, to confirm the validity of existing and future shared paths, with reference to the topics of environmental protection, energy saving, monitoring and reporting of emissions to soil and water, workers' health and safety. To this end, all the interested parties commit themselves to direct their own choices towards the compatibility of economic initiative with environmental needs, not only with due respect for existing legislation, but also by considering the development of scientific research and the best practices in this field.

Environmental Services Sector

In Article 63 of the National Collective Labour Agreement for environmental services, entitled *Health and safety at workplace*, the parties identify health and safety protection at workplace, respect for the environment and the sustainable

development of production activities as shared values, and agree on the necessity of consolidating and spreading informed and participated behaviours and applications of contractual and legal provisions in this field. Moreover, the parties agree that environmentally sustainable development takes account of social acceptability and employment protection and operates in a balanced way with corporate financial, economic and production needs. Therefore, the parties commit themselves to promote, at every workplace, a culture of prevention and environmental sustainability through awareness raising of every employee, the use of proper systems of environmental management and safety, operative procedures and training programmes for workers. In particular, the essential requirement is to put in place initiatives aimed at elevating cultural levels and the perception of the risks at workplace, spread the capillary and natural use of appropriate protective devices and at the same time, counter work practices that determine a deterioration of quality of life, by providing for training activities. A shared objective is to continuously improve the level of health and safety at workplace and environmental protection through a preventive and systemic management of risk factors, in implementation of what is laid down by Legislative Decree No 81 of 9 April 2008 and related following changes and integrations and by the current NCLA. This improvement is realised by the means of prevention, protection and planning, intended as the sum of requirements and measures adopted and provided in the different phases of work and the follow-up on the actions taken, in order to eliminate or minimise the risks for individual and collective safety and improve working environment and conditions, according to what is envisaged by the corporate document on risk assessment, DVR (*Documento di Valutazione dei Rischi*), as well as the single document on the assessment of interference risks, DUVRI (*Documento Unico per la Valutazione dei Rischi da Interferenze*), with regard to all workers covered by Legislative Decree No 81/2008. Within the framework of the requirements and responsibilities established by legislative and contractual provisions in this area, in accordance with the clarification of roles and prerogatives assigned to the relevant parties by the current NCLA, the parties share the commitment to ensure information/training activities at workplaces and promote workers' and their representatives' participation, in order to achieve the objectives of workers' safety and health and environmental protection.

Collective Bargaining at a Firm Level

The following case studies show how companies use energy saving in the workplace as a way to remunerate workers, and how environmental targets have become a subject for collective bargaining.

Almaviva

“Almaviva Green” project, launched by Almaviva in 2008, originated from a purely IR problem: the internal negotiation for the renewal of the company-level collective agreement was stuck in the definition of the performance-related bonus. With the goal of finding greater financial resources and, on the other hand, reference indexes different from traditional ones, the idea to put in place sustainable conducts in the company, so as to use the resources from savings in consumption to finance the performance-related bonus, was born. In May 2009, a joint (composed of managers and members of the unitary workplace union structure, RSU) and cross-departmental “green team” was built and a roadmap was designed, by identifying an articulated and detailed action plan and the periods for implementing it. In October 2009, Almaviva CEO underlined, in a communication, that Almaviva’s transformation into a “green company” had become a strategic goal for the Group, with regard to which workers’ involvement acquired an essential role. In addition to the inclusion of green goals in the performance-related bonus, an information campaign was launched, with the aim of raising workers’ awareness and sensitivity on the functioning and objectives of the performance-related bonus. The performance-related pay scheme is composed of two independent parameters: 75% linked to the trend of MOL/VPT (Typical Production Value) ratio; 25% linked to innovation and business processes’ improvement projects (notably, goals of energy saving/efficiency within the framework of the “Almaviva Green” project), to be jointly defined by company and RSU. Specific objectives are moreover defined at plant level. For example, the plant of Casal Boccone established the energy saving target for the period of application of the agreement, by identifying the electricity items to be considered in the calculation: winter/summer air-conditioning, hot water production and lighting. A system named SEM/Smart Energy Management allows to monitor energy consumption in real time.

Laterlite

Laterlite is the leading company in the production of expanded clay in Italy. Since the company has always been committed to research and development of light and insulating options for the construction industry, environmental sustainability has been becoming a lever for competitiveness with regard not only to product qualities, but also to the attention to the impact that the company has on the environment at all stages of the production cycle. It is in this context that the 2016

renewal of the company-level collective agreement provided for a performance-related pay scheme structured in several objectives, including an efficiency target, linked to the reduction of fossil fuel consumption in the single local plants/establishments. The indicator used as benchmark is an energy measurement unit expressed in Tonnes of Oil Equivalent (TEP). It is a measurement unit conventionally used to compare different energy sources. In the present case, the parties included in the TEP consumption of methane gas, diesel, electricity, waste oils and oily emulsions produced in a specific time period. The values of the bonus are determined on the basis of the result of the ratio between TEP and the number of hours worked in the production unit, after deduction of possible hours of CIG (a wage guarantee fund activated in case of suspension of, or reduction in, working activities).

Luxottica

Luxottica is a company committed to the continuous improvement of sustainability of production at all stages of the process. In 2011, the Group's CEO established a steering and coordination body at corporate level, assisted by several multifunctional working groups, respectively in charge of planning and implementing actions for sustainability. Moreover, the "Zero Waste" project was sent out with the aim of reducing greenhouse gas emissions in Luxottica's establishments. Within the framework of this project, that includes a Life Cycle Assessment and recycling programmes for different wastes' streams (carton, office papers, office supplies, etc.), the company management and the workers' representatives agreed to link part of the variable pay scheme to a composite index named "zero waste", originally composed of two indicators referred to the consumption of electric energy, paper and printer toners. With the 2015 renewal of the collective agreement, the structure of the bonus was updated also through the redefinition of the sustainability index. According to the new bonus, a part of the pay increase is associated with an index that measures the yearly reduction in electric energy consumption in terms of CO2 equivalent. The percentage of electric energy reduction generates an average amount of bonus per worker that varies according to the share of waste reduction. Basically, the bonus assigned to each worker increases with increasing share of a reduction in waste. In addition to electric energy reduction, the new performance-related bonus includes three parameters linked to pollution control: (I) Reduction of printouts: the agreement provides for pay increases linked to the reduction in the number of paper printouts; (II) Increase in the use of public transport and zero-car: this index is related to the yearly variation of the ratio in percentage terms of zero-car users

and subscribers to public transport services (e.g. bus, subway), to the average workforce; (III) Reduction in indirect material—consumption: the agreement rewards the reduction on the previous year of the cost of indirect materials as compared to production volumes (e.g. milling machines, material for tumbling, containers and packages, tools etc.). The achievement of goals such as the reduction of printouts, the increase in the use of public transport zero-car and the reduction of indirect materials, generate a 20% increase of the bonus payable in relation to the results of the index of reduction of electric energy consumption.

Renner

Leading company in the production of wood varnishes, Renner Italia has always paid attention to the environmental impact of production cycle. In February 2012, this attitude found expression in a company-level collective agreement, through which the management, the unitary workplace union structure (RSU) and the trade union Filctem-Cgil launched the project, named *Il risparmio energetico in busta paga (Energy saving in the paycheck)*. The project is aimed at rationalising consumption and reducing waste through the implementation of organisational strategies and sustainable behaviour patterns, based on the cooperation of all workers for the reduction in water, electricity, and gas consumption and waste generation. The contribution of the workforce to energy saving and waste reduction has a direct impact on remuneration, because a share of the performance-related bonus is directly linked to green goals. In 2011, Renner spent 1,566,000 euros on energy resources (electricity, gas and water), machines (packaging machines, forklifts, trucks and machines for mixing, consumer products (pens, pencils and printing equipment, paper towels and office paper, cleaning solvents) and waste disposal. Major costs were recorded for electricity (411,000 euros) and waste disposal (397,000 euros). The expenditure for office supplies (84,000 euros) was relevant too. Taking 2011 as the reference year, corporate management and workers' representatives committed themselves to cut energy consumption costs by 10% in three years. They also agreed that 50% of annual savings would have been devoted to the financing of the annual performance-related pay scheme, by taking into consideration productivity increases and the introduction of new technologies to assess the target achievement. After signing the agreement, the parties launched a joint information campaign and organised workshops and online training modules to raise workers' awareness of the goals of the agreement and the means to achieve them. Moreover, a bilateral commission composed of corporate and workers'

representatives was established for the monitoring of the project's implementation and the evolution of the indicators' pay scheme.

Annex 2 – List of people interviewed and involved in the focus group

Most of the information reported in this article flowed from the interview to the following workers' representatives (WR) and employers' officials (EO):

- WR1: Member of the Tenaris Dalmine's Works Council (11 April 2019)
- WR2: Member of the Tenaris Dalmine's Works Council (11 April 2019)
- WR3: Trade Unions Official at FIM-Cisl Bergamo (11 April 2019)
- WR4: Confederal Secretary at CISL (18 April 2019)
- WR5: Head of Environmental and Territory Department at CGIL (20 March 2019)
- EO1: Head of International Industrial Relations at ENEL (11 March 2019)
- EO2: HR Manager at SARAS (7 December 2018)
- WR6: FIM-Cisl Official and Member of the ILVA's Works Council (17 October 2018)
- WR7: Head of FIM-Cisl Health, Safety and Environment Department (27 September 2018)

The following workers' representatives (WR) and employers' officials (EO) were involved in the focus-group discussion was held on October 4th, 2019, in Rome:

- WR8: Head of Development Policies at CGIL
- WR9: Confederal Secretary at CISL
- WR10: Confederal Secretary at UIL
- EO3: Labour Relations Officer (Italy) at ENEL (Green Power Division)
- EO4: Head of Industrial Relations at ERG
- EO5: Head of Industrial Relations at TenarisDalmine
- External expert, Researcher from Fondazione Di Vittorio

