

Proposals for the economic reactivation of the mining regions

July 2024

INTRODUCTION

The Asturian mining regions are the paradigm of the crisis. In these territories, industrial and economic crises converge, and the result is expressed in unemployment, loss of population and ageing.

The combination of these three elements is explosive by necessity for any territory: it weighs down its options for the future and constitutes a heavy burden to face the future, much more so if we are talking about a local territory in a context of accumulation of global crisis, of such colossal dimensions as the financial crisis, the coronavirus epidemic, etc. or the inflation triggered by the rise in energy costs in recent years and all this causes disappointment and frustration to penetrate to the bone in its inhabitants.

These municipalities, in which more than 160,000 Asturian men and women live, have sky-high activity rates and sky-high unemployment rates. The closure of the steel industry, first, and of mining, later, was not accompanied by effective reindustrialization and economic diversification policies.

There was, it is true, progress and business projects were promoted and above all public and infrastructure facilities, which today, decades later, continue to operate, generating employment and activity; but economic recovery is still a pending issue in the mining basins, which are still looking for "their place" in the Asturias of the twenty-first century.

The process of job destruction that they have suffered in recent years has been brutal. Suffice it to point out that in the basins, up to 60% of existing employment was destroyed in the basins and, if we limit it to the industrial sector, for example, only in one of the regions were seven out of ten jobs lost. These are dramatic data. The destruction of employment has had as a de facto partner the progressive ageing. A phenomenon that is the protagonist of all Asturias but that is especially intense in these municipalities, exceeding the regional average and doubling the ageing rates they had just two decades ago.

It is no coincidence that the first and third oldest cities in Spain are municipalities at the head of the basins. Thanks to the push of the trade union organisations, the agreements reached have managed to guarantee income

that has made it possible to sustain these territories economically and socially in recent years, but I insist: the consecutive crises, especially the one caused by the collapse of the financial system, and the austerity response given by the political right, have led to a significant growth in poverty and social exclusion.

The Asturian mining regions have been waiting for too long for effective measures to solve their problems. They have suffered from the ingestion of analyses and promises, but they suffer from anemia of proposals and solutions.

A situation that has worsened in recent years because, paradoxically, in the most recent period the Asturian mining regions have been the least benefited by the injection of resources from mining funds. Two examples: the Asturian mining councils obtained only 7% of the aid in 2017; and while the 2013-2018 Coal Plan provided for thermal use in energy generation of 7.5% per year for indigenous coal, in 2017 it did not exceed 2.4%.

Almost two years ago, in October 2018, in a context of accelerated decarbonisation by the Government of Pedro Sánchez, the "Framework Agreement for a Just Transition of Coal Mining and Sustainable Development of the Mining Regions for the Period 2019-2027" was signed, whose ultimate objective was the reactivation and alternative development of the mining regions.

The agreement includes a plan for the restoration of farms and a plan for the development of renewable energies and energy efficiency. And it talks about employing surplus workers preferentially in the restoration, renewable energy and energy efficiency plans that are developed.

We are going to fight for it to be so, as we have always done, with dialogue and from mobilization, because we are tired of failed plans and unfulfilled promises. And to suffer its disastrous effects.

To do this, the previous step is to learn from mistakes so as not to repeat them. The analyses prepared by our union maintain that the reasons for the failed reactivation were multiple and complex: lack of foresight and planning, clientelism, non-compliance of the Administrations... and, the final straw: the 2008 crisis, which derailed some initiatives that had the appearance of being able to renew the deteriorated industrial fabric of the basins.

Now we are facing the challenge of the energy transition, and from CCOO we have been warning that few territories are being as affected as Asturias, because it has implications for the industrial sector, transport, logistics, the residential sector and, of course, on electricity generation. A process that should not leave anyone on the wayside because for this energy transition to be fair and equitable, not only the technological and environmental consequences, but also the economic and social ones, must be properly assessed.

There are well-founded reasons for concern: it is enough to remember the disappointing statute for electro-intensive companies that does not guarantee stable, predictable and competitive electricity prices, which our industry needs to be thriving in the European framework. Likewise, the entire energy transition process cannot depend on the decision of the boards of directors of private companies, the most important located far from Spain, which requires a greater political commitment from the administrations to plan the country's economic development based on criteria subordinated to the general interest and not to the interest of a few.

We will demand that they undertake investment plans, not only for the restoration and refurbishment of closed facilities, but also for the development of energy or industrial activities and, particularly, for the installation of new renewable power (biomass, wind...) and energy storage.

We have to make the most of the possibilities of this 2019-2027 framework agreement, which guarantees measures to support mining workers, aid to municipalities and financing, and of Hunosa's new business plan, which must include industrial and diversification projects focused on renewable energies, as well as a commitment to recover closed spaces.

Likewise, the agreement for a Just Energy Transition for thermal power plants in closure was signed in April 2020, its main objective is to maintain employment in the territories and their economic and industrial revitalisation. The agreement involves the relocation of workers and the search for alternative activities for the affected areas, both by the companies – through renewable energy projects and other activities – and by the government – through the deployment of aid instruments organised around the Just Transition Agreements – and with the participation of the unions to facilitate and monitor the fulfilment of the commitments.

But the truth is that these closures have affected thousands of jobs in our community, including direct, indirect and induced, with very detrimental effects for the whole of Asturias. These electricity companies, which have obtained extraordinary profits for decades, cannot forget that they have a great responsibility both to the workers and to the territories in which their activity is based. They are in debt and at the moment they do not have important projects to develop in the mining regions.

Coordination between administrations will be essential to complement, harmonise and make the different plans and measures effective. The autonomous communities (and also the municipalities) have important powers and can be relevant institutional actors in the activation of measures for the

alternative development of the territories, due to their connection with universities, technological institutes or business associations.

The absence in the past of a global strategy for the development of each area or region affected by closures has been a problem, because in many cases it resulted in the distribution of aid to municipalities or companies in a dispersed manner and without a comprehensive approach based on the capacities and needs of each area.

At CCOO we are clear about the strategies to follow: Firstly, the alternative proposals for each area or region should be based on its own resources, its infrastructures and the demographic and educational characteristics of its population.

There is potential for the development of facilities, the manufacture of renewable energy equipment and components, storage or technologies for efficiency... We must move towards an economic fabric that means stable and quality employment (for which training and requalification measures are essential), with environmentally sustainable activities. One of the main shortcomings of previous experiences, and one that cannot be repeated, was the lack of complementarity of the economic resources committed, since, although they should have been extraordinary for these territories, in practice in many cases they replaced ordinary investments. Not being complementary, but substitutive, they largely lost their potential.

For our union, the reactivation involves strengthening the existing industrial structure and opening up to a new industrial model based on science, technology, knowledge and sustainability. And here the public sector cannot renounce playing a strategic role, in addition to facilitating the development of private initiative, through a country's industrial strategy. All this can be perfectly complemented with quality tourism, with local shops/services and logistics areas. Likewise, the arrival of the high-speed train is an opportunity for the central mining regions of Asturias not to be left behind in the development of our Autonomous Community as a whole.

Our main proposals for reactivation are framed in seven areas: environmental restoration, new applications of coal, agriculture, forestry, the agri-food sector, energy and tourism. Without forgetting that water will be an increasingly important resource.

We may be in a position to face a new production model based on an advanced and technological, sustainable industry. The economic heart of Asturias must continue to be industrial.

From the union we want to be protagonists of the solutions. To this end, we contribute the best of our organisation, our capacity for proposals, and we will

not hesitate to promote and lead a political and social debate capable of materialising a global strategy that allows us to take advantage of the talent and industrial culture of the mining regions so that they occupy the place they deserve in the future of our autonomous community. This is what we are doing in the different social dialogue tables, in the design of Asturias' development strategies, especially with the preparation of the Just Transition Strategy 2019-2027 and now with the implementation of the Just Transition Observatory that has to evaluate and, if necessary, correct, the policies that are beginning to be implemented to successfully develop this process in our territory.

Asturias is playing for it and Comisiones Obreras will continue to push for a better future.