



European Trade Union Confederation (ETUC)  
Confédération européenne des syndicats (CES)

Intervention by:

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**A low carbon strategy for Britain**

**Intervention at a Policy Network Conference**

**‘The politics of climate change’**

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To be checked against delivery

Thanks for this chance to contribute to today's conference.

At a time of economic and political storms and crisis, it is easy to dismiss or relegate the only slightly longer term challenges that we face. But that is a luxury we cannot afford because of the magnitude and complexity of the environmental challenge.

We meet today on the 65th anniversary of D-Day – a great project which displayed great skill and ingenuity by the UK and some others. But our record since on large projects has only patchily reached the same standard.

Too often, great projects have not been devised and run with élan and consistency – neither to time nor to budget. Recriminations have bedevilled defence, energy, transport and construction projects – sectors in the main at the heart of the low carbon strategy. We must raise the national game.

One of the reasons has been a lack of shared understanding and commitment about the apportionment of risk, and the key question is can we sort out clearly respective responsibilities and financial contributions to investment of government and business. That seems to me to be fundamental. Not easy.

One of the impediments – by no means the only one – is whether the time horizons of companies governed by shareholder value, or its equally exacting private equity equivalents, can operate and take on risk long term or whether the public sector will have to carry the risk. That problem has been evident in many public private initiatives, most recently on some of the projects connected to the Olympic Games. Short-terminism is not a helpful framework for what must be consistent long term projects. This issue cannot be ducked. Short-terminism and the need to return double digit returns every year have imposed crippling burdens.

Everyone has accepted that the car industry has overcapacity, needs restructuring, and needs to go green. All these have large social consequences.

Will this be done through the market, or by national government action like in the Opel case when the German Government has been accused of a 'Germany-first' solution; or can we learn from the European Coal and

Steel Community when a clear strategic goal was set to slim down and restructure those sectors and help the areas and workers affected with new opportunities.

Any low carbon strategy needs a social dimension. It needs skills; it needs incentives for talented people to work for the strategy, it needs help available for those adversely affected. It is not just a matter for business leaders and government. Other stakeholders including trade unions are needed to deliver these projects. Other countries do it better and we should not be too proud to learn. Without sorting this out, a low carbon strategy for Britain will be messy at best.

That is one issue – there are many others.

From the union view point, prominent among these other issues, is what happens in the high carbon areas to jobs and to the communities dependent on those jobs. Can we do it better than we did with the coal mining areas, still demoralised and depressed by the rapid closure of pits in the 1980s and 1990s. Again other European countries did it better and we should learn from our errors and their lessons as we wrestle with the high carbon omissions in some sectors.

Tackling climate change cannot just be a strategy for Britain. There must be an international and European dimension. There is a real risk that we will relocate some of our high carbon industries to the developing world. That would often be the easiest solution but it would not be the right one.

Finally, and more optimistically, the need for a low carbon strategy is an opportunity for new businesses, new jobs, and new research and innovation. It is perhaps the most promising area for the next great wave of technological advance. And if we can answer the difficult questions and others that I have posed, we in the UK and Europe can be a leader in this field, setting standards for others to follow. We did it with the **REACH chemical regulations**, we can do it in the other areas.

Thank you.