

Intervention by:

### **John Monks**

# General Secretary of the European Trade Union Confederation

## Climate Change, new industrial policies, and exiting the crisis

5-6 October 2009

London

To be checked against delivery

JM/lw 05/10/2009

#### Climate Change, new industrial policies, and exiting the crisis

#### General Political Context and the ETUC

Commissioner Spidla, colleagues, we meet today to discuss climate change, the implications for existing jobs, the potential for new jobs, and the contribution this can make to helping resolve the economic crisis that we are currently in.

The Copenhagen conference in December will be a key moment in judging whether the world has the will to undertake necessary changes and it is vital that the world and European trade unions launch this campaign from the point of view of the environment and also the social perspective. We want to protect the climate and develop a sustainable environment and at the same time create jobs which are sustainable and of high quality.

We know the risks. Climate change risks making existing inequalities worse. Pressure on energy and other essential resources such as food and water affects the poor more than the rich. It affects some countries more than others. It contains the seeds of conflicts between nations as the risk of a scramble for resources develops. The scramble for colonies was one of the major causes of the First World War.

We do not pretend that the answers are easy or evident. Yet the stakes are high, not least for trade unions, and the incentives to find answers are great.

To help us, we considered the Syndex report which will be introduced shortly. It wrestles with some of the key questions. It identifies the trends which point to a relative decline in the industrial / manufacturing sectors in Europe, more perhaps in the West than the East.

These trends include rapid growth in these sectors in some emergent countries, the most spectacular of which is China; the export of jobs to cheaper locations – the French concept of délocalisation; the financial crisis which in 2008 has exposed the over mighty role of financial capitalism / casino capitalism played in societies.

Differences between European states have exacerbated the problem, and unemployment, precarious work and insecurity are rising quickly. The crisis is global but the response on jobs has mainly been national. There has been effective co-ordination on rescuing banks and perhaps on new financial architecture for the world, following the meetings of the G20 and action at EU level. But on jobs, the same degree of priority and co-ordination has not been evident. Commissioner Spidla shares my concerns on that question.

In the ETUC, we will be calling for a major co-ordinated effort in the EU on youth unemployment. This year's school and college leavers are among the main victims of the crisis so far. And as Juan Somavia, Director General of the ILO said recently: "If it's billions for bankers but pennies for the people" that's a recipe for social unrest.

One thing is for sure. If we leave the necessary changes to tackle climate change to the market, the result will be more unemployment, more devastation of communities, and more unrest. If anyone wants a case study of a disaster, have a look at the brutal way the Thatcher and John Major's Governments handled the run-down of the British coal industry. We don't want any more of those.

We will need sources of capital which are not looking for short-term gains of 20% or more. We will need scientists, technologists and engineers of genius and creativity, not financial whizz kids. We will need social plans for sectors and areas most affected by the necessary changes.

The forerunner to the EU was the European Coal and Steal Community. Typically, the UK did not join. But that Community drew up plans for reducing the sizes if these sectors in the post war period which in the main provided for smooth transitions. It was a contrast to the later brutal efforts of the UK Government of the 1980s and 1990s.

Can we follow this same European path with the climate change, with the social partners closely involved? We had equal representation with employers on the old Coal and Steel Community and that helped produce the relatively smooth transitions of that time.

This is now a time for trade union ambition. We are pressing the Commissioner to involve the social partners in a new initiative on climate change, an initiative which will engage unions with public authorities and employers in the exercise to handle restructuring and create new sustainable, quality jobs in a context of creating an economy less intensive in carbon.

For us, this is nothing less than a new social deal - Europe-wide. Like socialism in one country, environmental policy in one country does not resolve the essential problem. It needs effective international action. This process will be at the heart of our ETUC work.



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