



Rachel Reeves
House of Commons
London
SW1 0AA

Dear Rachel,

I am writing on behalf of the *Greener Jobs Alliance* (GJA), a coalition of trade unions, NGOs and other organisations, concerning Labour's commitment to massive investment in the green transition.

The GJA was formed in 2010 to promote skills training and job creation to meet the needs of Britain's rapidly growing low carbon sectors and to green the whole economy.

We support Labour's ambition in principle. But, in the light of recent announcements, we are concerned to ask to some concrete questions about plans to invest £28 billion a year in making the green transition, in particular your argument that this investment would be subject to fiscal rules.

1. As fiscal rules are usually set to prevent day to day spending becoming unsustainable, how does that apply to investment that, by definition, provides a return?
2. Have you undertaken a cost/benefit analysis on the effects of delaying the full implementation of the £28 billion until later in the Parliament?
3. If the fiscal framework requires debt to drop as a proportion of GDP during the lifetime of the next Parliament, how does the return on investment factor into your calculations?
4. Do you rule out borrowing to invest at the beginning of the programme? If so, on what basis do you assume that there will be enough growth (independent of this investment) to generate enough government income to finance it, since it is the investment programme itself that is the most certain driver of positive economic activity?
5. We understand that the aim of the £28 billion of public investment is to leverage in three times as much investment from the private sector. How do you see this working? What benefit do you envisage that the state will derive from the private companies that benefit from its support?
6. If the problem with ramping up investment is primarily financial, could you please explain why you have ruled out increasing taxation on the wealthiest individuals?

Could you quantify how much a "fair share" of tax from tech giants and how much a "proper windfall tax" on energy producing companies would amount to, as these were not spelled out in your conference speech?

7. It appears that one key problem in ramping up investment is an absence of "shovel ready" jobs. What plans are you currently making with the Shadow Business and Energy team, local authorities and the relevant unions in each sector, to map out what needs to be done and prioritise it, with financing allocated at the appropriate time. We have set out some examples in an Appendix. This is particularly urgent for plans to insulate and upgrade housing - which has enormous potential to cut emissions, household bills and create good jobs that can't be offshored.
8. Given the shortage of the skilled labour that will be needed - which is very evident for retrofitting - what discussions have taken place with the shadow Business and Energy and Education teams to put the necessary training structures in place (which will require a sharp shift away from the employer-based apprenticeship programmes that have sold us so short for so long)?

Thank you in advance for considering these important questions, and we look forward to your reply.

Yours sincerely,

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Secretary, Greener Jobs Alliance

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Appendix: Urgent projects as regards carbon emissions, cutting bills and creating jobs
In your speech you mentioned a number of specifics.

- **Green Hydrogen and CCUS in Grangemouth, Middlesborough, Swansea and Hull.** Is it your view that these technologies are solely for use in hard-to-abate industrial sectors rather than as a fig leaf to allow continued fossil fuel expansion? We would argue that eliminating hydrogen as an option for widespread home heating and cooking would also save significant sums from not having to connect the projected 1.5 million new homes in new towns and developments to the gas grid.
- **Steel in Scunthorpe, Sheffield and Port Talbot.** Do you intend you set up a Just Transition body for these plants, involving the trade unions and local communities, as problems with the current deal between the Conservatives and Tata are how limited it is, how many redundancies it will produce and the exclusion of the unions from the negotiations.
- **Offshore Wind in Fife, Plymouth and Newport.** Which aspects of offshore wind manufacture are you looking at for these, which companies are involved, and what is the proposed government input/level of investment?
- The same questions apply to your proposals for **Electric Battery manufacture in Coventry, Sunderland and Blyth.** After the debacle of British Volt that means attracting overseas investors and, as the world's most advanced EB companies are Chinese, and the existing Sunderland facility is part Chinese owned, would not attracting more of these to invest here be both a healthy move for the economy and help reduce global tensions?