



SUSTAINABLE
INDUSTRIAL
POLICY

IndustriALL Global Union

Towards Sustainable Industrial Policy





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What is Sustainable Industrial Policy?



Sustainability



= Meeting the needs of the present without compromising the ability of future generations to meet theirs

- The environment, the economy, and society must be considered as an integrated whole

Industrial policy

= A plan to encourage desired patterns of industrial development and growth

- Strategically targets specific industries and sectors
- Considers transportation and communications infrastructures, education and skills, training, research and energy
- Creates a healthy economy and quality employment
- Minimizes negative environmental impacts
- Advances the interests of society as a whole



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Why do we need it?



The Triple Crisis



The environment is in crisis:

- Climate talks are failing while urgent action is needed to keep global warming below 2° C

The economy is in crisis:

- People are paying the price for the excesses of the financial system which continues to favour short-term profits over long term productive investment in the real economy

Society is in crisis:

- Increasing inequality and the explosion of precarious work are eliminating opportunities, particularly for young people



Race to the bottom



- The historic link between **wages and productivity** is broken
- **Globalized supply chains**, outsourcing, create downward pressure on wages, human rights
- **Governments compete** to offer deregulation, tax breaks and incentives to try to attract foreign investment
- MNCs demand prices that **do not reflect the true cost of labour**
- **Wealth accumulates** at the top of the supply chain, rather than benefitting workers, or contributing to local development
- **Collective bargaining** has declined as a mechanism to fairly distribute profits



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What does it look like?



Promoting equity

- Reducing inequality, increasing wages
- Developing effective industrial relations to mediate the competing interests of workers and capital

Harnessing technology

- To address problems like climate change
- To benefit workers and make their jobs easier

Advancing labour standards

- Promoting collective bargaining
- Labour laws which restrict precarious work
- Social protection policies

Building sustainable industry in a globalised world

- A more equal distribution of the benefits of participating in Global Value Chains
- Enforcement of collective bargaining rights in companies participating in GVCs
- Integrated development strategies, not EPZs

Just Transition

- A complete package of industrial policies and social programs to allow workers to benefit from change
- The essential prerequisite for environmental change and the only way to share the costs and benefits of change fairly
- Considers the needs of today's workers in today's industries, as well as future jobs





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How can it be implemented?



Strengthen the role of government

- The free market cannot create sustainable development
- Governments must intervene to redistribute the benefits of economic activity

Inclusive policies

- An integrated approach involving all arms of government
- Unions must be part of industrial policy formulation

Set targets

- For employment, R&D, energy efficiency, carbon emissions, reducing inequality, labour standards, employment creation, retraining and re-employment, youth skills development



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Who is going to pay for it?



Financing a sustainable future

Limit excessive corporate profits

Encourage investment over shareholder dividends

Support industrial change through government investment

Close tax loopholes and recover missing tax revenue

Improve access to financing for sustainable production

Introduce a Financial Transactions Tax



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What can IndustriALL do?



IndustriALL's Sustainable Industrial Policy

- IndustriALL has a critical role because of the industries its members work in
- Resource extraction, manufacturing and processing all have impacts on sustainability
- Our members must have say in the direction their industries take

IndustriALL is embarking on a process to develop sustainable industrial policy which affiliates can use to influence governments, global institutions and MNCs

Get involved!

– our future depends on it

Discussion points

- Which issues are of most importance to you in the development of an IndustriALL Sustainable Industrial Policy?
- How can the particular challenges and concerns of different regions and industrial sectors be taken into account?
- How can IndustriALL assist affiliates to increase their capacity to promote sustainable industrial policy in their countries?
- Which other actors must IndustriALL and its affiliates engage with?