



CEC Statement

**Industrial Strategy
& Infrastructure**



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GMB CONGRESS 2025

CEC STATEMENT

CEC Statement: Industrial Strategy and Infrastructure

Responsibility, resilience, redistribution: “You can’t project resilience if your infrastructure is owned by the rest of the world.”

- 1.1 Congress 2025 recognises the precarity of Britain’s position in a changing and increasingly volatile world. It is important to acknowledge the world has changed and GMB members are not immune. The impact of the crises of capital, climate and conflict are all encompassing.
- 1.2 The punitive tariff war waged by the US President Donald Trump signals a new and uncertain era for global trade and international relations. Globalisation now looks to be over, and a new economic order is emerging, based around domestic interests as opposed to uninhibited free trade. Climate change is a growing and existential threat. Britain must transition its industries and society to help fulfil our climate obligations, but the transition debate is increasingly polarised by self-interest and ideology. Conflict in Ukraine and the Trump administration’s policy shift towards Russia, combined with territorial claims on Greenland, poses hard questions for the NATO (North Atlantic Treaty Alliance) alliance and continental security. The UK Government has already committed to raise Defence spending and to re-prioritise national security.
- 1.3 A holistic plan to confront these real-world realities is needed, but it must be developed from a position of historically comparative economic and industrial weakness, and low levels of public trust in British politics and institutions. The impact of politically driven austerity has decimated our vital public services. Our productivity base has been hollowed out by a multi-generational failure to defend British manufacturing while a reliance on services has soared. Economic redistribution tied to critical infrastructure is more likely to go into the pockets of private equity or sovereign wealth funds than our own exchequer. The rapid advancement of disruptive new AI

(Artificial Intelligence) will fundamentally change the world of work and with it the employment experience of our members.

- 1.4 2025 is a genuine point of inflection. The decisions made in the here and now will have profound consequences for jobs, pay and conditions across our nations and regions over the next generation, and with it the very future of our union. Yet in the face of deep and existential threats there are also opportunities to rebuild prosperity and achieve social, political, and economic security for all.
- 1.5 GMB is clear that a real-world industrial strategy for Britain's future is essential to mitigate threats and to maximise the opportunities facing our country. This requires the complete rejection of 'business as usual' and the continuation of 40 years of failed neoliberal policies. Instead, we need to forge cooperation between governments, industries and unions, placing workers' voices at the centre of a radical and fresh dialogue. The objectives are straightforward: industrial co-ordination based upon central planning; taking direct responsibility for the core components of industry; investing in and building energy, infrastructure and manufacturing resilience; and then, ensuring that we redistribute the gains into our public services and wider society.
- 1.6 The people best placed to make these arguments, and achieve these fundamental changes, are GMB members. Amid crises and change, we see the big picture but remain true to our core values: We are a union of jobs, social justice and solidarity. That is why GMB has created 'Workers Power the Future'.¹ The campaign is bringing together workplace reps from across the energy sector and energy-intensive manufacturing industries to organise and engage directly with governments and industries to capture the powers of a homegrown, real-world industrial strategy.
- 1.7 The threats to our members' livelihoods and prosperity, and with it the future vitality of our union, are clear and real, but so are the opportunities to

transform our nations and regions, through industrial and infrastructural renewal, if we campaign and organise for it. By doing this we can help bring about better trade unionism, industries and governance to confront the challenges of our times.

- 1.8 Britain cannot go it alone in the world and isolationism is a poor prescription for any country's prospects. As a union, we are internationalist and support mutually beneficial trading relationships with democratic, progressive, and friendly states. We recognise the inherent dangers of rising populism and nationalism in Western democracies. However, neither should we be increasingly dependent on the rest of the world for the things we need, like raw materials, energy and skills. As the ongoing situation at British Steel in Scunthorpe illustrates, we must take a greater industrial responsibility for the things we can, for what we can produce onshore for the betterment of jobs, prosperity, security and climate.
- 1.9 That starts with energy and how we heat our homes, keep the lights on, and industry powered. To understand Britain's position, we need to see things as they are. Electricity supply from renewable sources increased in 2024 to half of generation on the days when the wind blows, but Britain is still heavily dependent on gas. Domestic gas production was the equivalent of half of total demand in 2024 while the remainder was met by imports, mainly Norwegian natural gas but also LNG (liquefied natural gas) from the U.S, Qatar and Peru. Around four-fifths of households are gas dependent for heat and one-third of our average annual electricity supply is gas generated.²
- 1.10 To put that into context of the UK Government's 2030 clean power ambitions, that one-third of electricity from gas-fire stations would need to come offline to meet the political aspiration.³ At the same time, around 15 per cent (6.5 GW) of current electricity generation baseload will cease entirely by 2030 when the existing nuclear fleet enters full decommissioning. Hinkley Point C is scheduled to start generation in the early 2030's and the

Sizewell C development thereafter, with a total generation capacity of around 6GW. The anticipated shortfall of constant domestic supply from nuclear by the end of this decade will likely be covered by supplies from continental interconnectors.

- 1.11 The outlook is further complicated by the UK Government's manifesto commitment to ban future North Sea oil and gas exploration and production licences. It means that Britain would need to increase its dependencies on imported gas supplies to support its projected demands up to 2050, estimated to be around 13 billion to 15 billion barrels of oil and gas equivalent.⁴ It means that in the short to medium term at least, the UK is in a precarious place in terms of energy security, caught between the idealism of a fully green future and the pragmatic pull of industry and pressing contemporary demands to maintain living standards.
- 1.12 A more balanced and resilient energy mix would see government committing to new nuclear baseload and domestic production contributing to the oil and gas we still need as vital components in the national energy supply, alongside established renewable and emerging low-carbon sources. This would ensure greater energy security, reduce dependencies upon increasing importations, volatile international markets, while supporting high quality jobs and apprenticeships that can drive regional growth and development.
- 1.13 The questions around Britain's future energy resilience and political policy choices are also inextricably linked to its manufacturing prospects, and now, as a direct consequence of the U.S defence policy shifts towards NATO, our country's defence and security. How we are going to source power for industry, what the cost of it will be, how we reduce the emissions of that production and – fundamentally for our union – will we have the people and places needed to compete for and onshore more of these jobs of the future?

- 1.14 It is agreed, across the political spectrum, that Defence spending will have to rise. The GMB's role is threefold: to ensure that this increased investment results in greater opportunities, more and better work, and improved conditions for our members employed in the Defence sector; to make sure that this increase in expenditure is enabled through sustainable progressive taxation and not by making cuts in other areas, endangering jobs in the public services; and that the end result is a robust defence of the people, and common wealth, of this nation rather than the greenlighting of bellicose military adventures across the globe.
- 1.15 Consequently, GMB believes that central planning is key; that UK defence contracts should, by default, be awarded to UK companies and consortia; that trade union access, membership and consultation is vital to a healthy, harmonious and prosperous defence industry; that investment is the key to economic security and growth; and that this economic deterrence – through technological advance and rising domestic prosperity – is capable of becoming another important form of military deterrence in securing the future of our nation.
- 1.16 Revitalisation of this sector will not happen by chance but rather through long-term planning and investment. This will necessitate the placing of greater value upon industrial and technological skills, the offering of a clear educational and career route into meaningful, high wage, highly skilled jobs, and a reconfiguring of the education sector to facilitate this transformation. This will require the provision of education and training that deliver meaningful – and nationally recognised – qualifications that are tailored to the needs of the defence sector and wider manufacturing industry.
- 1.17 A UCAS (Universities and Colleges Admissions Service) style clearing house for UK wide apprenticeships would be a starting point, together with a single point of application and entry. It is vital that qualifications and standards are transferable and readily appreciable by employers so that young

workers are not tied to a single site or firm as their bespoke qualifications are meaningless outside of one employer. We wish to see the end of a situation whereby young welders trained by one firm are immediately poached by another (capable of offering higher wages) upon their qualification.

- 1.18 This will necessitate work – and planning – across governmental departments (not least between the MoD and Education), together with the development of industry specific qualifications by industry specialists, the raising of pedagogical standards across the FE (Further Education) sector, and the establishment of specialised institutes for shipbuilding and aeronautics. Modern apprenticeships need to be ‘re-industrialised’, with more time spent on the shop floor and placed within a nationally recognised framework, with a clear path charted to careers within industry for our young women and men.
- 1.19 At the same time, the crises of recruitment in the services (and the Royal Navy, in particular) needs to be addressed. There is little point in commissioning new hardware and vessels if there are not the women and men to crew them. This situation can only be remedied through increases in pay, conditions, and opportunities for service personnel – which need to be mirrored in those of the support, manufacturing, and ancillary chains that support them: from BAE engineers to welders at Babcock, and the predominantly women cleaners and canteen workers at the Royal Dockyards.
- 1.20 To this end, Congress is concerned that existing UK Government policies fail to fully recognise industrial, economic and security interdependencies across the broad energy and energy-intensive manufacturing sectors.
- 1.21 In simple terms, Britain’s foundation industries, like steel, cement, ceramics, chemicals and glass require a gas feedstock for mass production, as does shipbuilding, and the development of technologies like carbon capture to

mitigate the emissions of that production. Yet proposed DESNZ (Department of Energy Security and Net Zero) regulatory policies for the future of North Sea oil and gas production call for a de facto ban on future exploration and production licenses and an acceleration of further dependencies on oil and gas imports to support projected demand.

- 1.22 Ministers either do not recognise or are ignoring real world facts that independently registered operators currently producing 50 per cent of domestic oil and gas from the North Sea also hold the majority of existing carbon capture licenses.⁵ A consequence of this being the risks of policies that deter domestic investment and production in the North Sea could also impact the development and scale of the emerging carbon capture sector required to support the reduction of carbon emissions from hard-to-abate industries.
- 1.23 This also has deeper risks and consequences for economic distribution. The HM Treasury consultation concerning the offshore sector's future fiscal framework expects a further £19 billion in tax receipts from the North Sea between now and 2030 to support public finances and the energy transition.⁶ That aspiration for economic redistribution from domestic oil and gas production won't be realised if existing offshore operators lose confidence in the North Sea as a stable and viable jurisdiction. This is indicative of the lack of a proper thinking concerning our industrial strategy.
- 1.24 GMB has consistently voiced its members concerns about Government energy and industrial policies pursuing a sprint to clean power by 2030 when the journey to fulfilling Britain's climate obligations is a generational marathon from now until 2050. In the face of real and existential climate crisis, the false dichotomy of climate fundamentalism or diversionary populism can only be overcome through a pragmatic industrial strategy for Britain's transition that recognises the distinct challenges facing an island nation in uncertain geo-political times.

- 1.25 Congress agrees that in difficult and uncertain times, it should be the job of any Government to address weaknesses while maximising strengths. In terms of strengths, Britain is abundant in natural resources, wind, sea, and yes, the oil and gas on which we still depend and will still need until 2050 and beyond. Our energy industries are highly interdependent in terms of investment, innovation, and skills. We have a safe and reliable national transmission system for gas that is a pillar of our economy and fit for diversification of supply for household and industrial demand. Britain still has the potential to be a global leader and a continental hub for vital carbon capture and hydrogen technologies needed to decarbonise industry and transportation and help meet our climate obligations.
- 1.26 Our weaknesses are also clear and many. The electricity grid does not yet have the connectivity or storage capacity for the acceleration of low-carbon power from wind, solar and nuclear, let alone the opportunities around emerging options like hydrogen. Developers face long bottlenecks for connections and the level of change required to modernise the grid for low-carbon power has been described by industry analysts as ‘mind-boggling’. A programme of new nuclear is desperately needed to underpin constant electricity supply and work towards the restoration of peak production levels in the mid-1990s that delivered around one-quarter of total supply.
- 1.27 There is insufficient manufacturing capacity and supply chain readiness to compete for more energy infrastructure projects from the domestic and global markets. Against a backdrop of long-term industrial decline, this is why contracts and jobs to deliver and support the expansion of industries like wind and solar power sector have been largely offshored to the rest of the world.
- 1.28 We have a skills crisis in vocational trades and STEM disciplines (Science Technology Engineering and Mathematics) that blunts our competitiveness and future resilience. The roots of this crisis are deep and many. Vocational

skills are undervalued and more than £1 billion a year of Apprenticeship Levy funding is unspent on training. Artificial barriers are locking talented applicants out of higher-paying roles at a time of labour shortages. Childcare costs are among the highest in the world (among the top 5 countries in the OECD).⁷ We face the cliff-edge of an ageing population (one-fifth of existing workers in the energy sector will retire by 2030).⁸

1.29 And we have crisis of control and ownership. Britain has reached an inevitable destination point after four decades of political failure; rooted in Thatcher-era privatisation and de-regulation of our critical infrastructure and utilities like transport and water, exacerbated by the embrace of an economic globalisation that hollowed-out our production base and left working-class communities behind, and compounded by the austerity and casino-capitalism that's blighted the last fourteen years.

1.30 The way forward lies in the return of key industries, such as steel and water, to public ownership. The production of virgin steel is the foundation of our national, industrial base. It makes all else possible. Consequently, Scunthorpe – as our last centre of production – must be nationalised, forthwith, and incorporated into a national plan that harnesses the nation's productive forces and guarantees long term prosperity for the industry.

1.31 Allied to this is the question of sufficient levels of investment, development, and the reforging of the nation's industrial base. Lack of investment threatens the livelihoods of our members employed in the pharmaceutical industry, as patents expire, and has already resulted in the cancellation of a projected £450 million expansion to AstraZenica's Liverpool vaccination plant.⁹ Growth from oncology, biopharmaceuticals and rare disease research is only going to be delivered effectively through infrastructure investment and directed research and development, that brings prosperity together with the amelioration of human suffering. Greater governmental involvement with planning offers the opportunity to integrate and sustain

research across UK universities, eliminating competition and duplication, and putting medical advance at the service of the people.

- 1.32 The best and most obvious way to achieve this and to deliver the resources necessary to implement a viable industrial plan is to adopt a policy of progressive taxation, in order to boost treasury receipts and enable effective state intervention. As all wealth is socially created, GMB advocates a robust tax policy designed to ensure that the nation's wealth is democratic and accountable, and made available for industrial investment and planning. Progressive redistribution through taxation not only redresses structural inequalities within society (benefitting our members in social care, education, and the NHS) but is the primary means by which our union's demands for the rebuilding of British industry can be funded. With increased tax revenue comes a fundamental shift in the distribution of power in our society; strengthening the welfare state; enabling industrial democracy; and rebalancing market power between labour and capital.
- 1.33 Let's be clear that national decline in the name of climate change should not be an international obligation, we already understand the price of failure on energy and industrial policy, but our international obligations to the climate and our responsibilities as a credible member of the global community should be incontrovertible. That means we should see things for what they are, recognise the world has changed.
- 1.34 It also begs the obvious question: why would we persevere with a failed status quo and expect positive outcomes, particularly where the stakes are so high? It won't unlock the unprecedented levels of investment needed to achieve greater energy independence through the decarbonisation agenda. It won't support the innovators in our manufacturing sector who need cleaner and constant power to secure their futures. It won't rebuild trust in workplaces and communities through more jobs and prosperity after years in the grip of austerity, pandemic, and inflation.

- 1.35 We need to unleash the power of an active state that's prepared to take direct responsibility for what it must through nationalisation of critical assets and infrastructure where necessary, bring new and emerging technologies to scale through strategic stake-holding and procurement reform, and give the private sector confidence and stability to turn-on investment where it's needed to help create badly needed jobs and prosperity across our nations and regions.
- 1.36 Our job as a trade union is to campaign and organise to ensure these jobs both remain and become *good union jobs*. We recognise the world has changed but we are also aware a future is not guaranteed for our union or our movement – trade union density is rubbing along at around one-fifth of the total workforce and all key indicators point towards decline, not growth.¹⁰ Yet amid threat there is also opportunity. Workers Power the Future gives us an opportunity to replace political rhetoric with rigour and change the culture of our industrial relations to deliver an industrial strategy through better cooperation between union members, industry leaders, and Government ministers.
- 1.37 This is what we mean by calling for greater responsibility, resilience and redistribution, now and over the next generation. And we all have our part to play. There are no panaceas, but Congress is resolute that a proper industrial strategy holds the key to 'fixing the foundations' of Britain and redefining our place in the world – and with it the prospects for our shared prosperity, security and health. These are noble aspirations that are entirely attainable, provided that the political will and industrial vision are there, ensuring that UK manufacture, research, and design are placed at the forefront of industrial revival.
- 1.38 **To this end, GMB urges the adoption of:**
- A national plan for industry and investment.
 - The introduction of progressive, redistributive, taxation.

- A true partnership between private and public investment, that puts well-paid, union jobs at its heart.
- A programme of nationalisation and government stakes in strategic industries, beginning with steel (with Scunthorpe at the centre) but coming to encompass water and utilities, together with transport.
- The rejection of the failed policies, and savage economic ideology, of neoliberalism.
- The adoption of industrial co-ordination that puts workers voices, skills, and insights at the epicentre of national renewal and prosperity.

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