

"If the Planet Were a Bank, We Would Have Already Saved It."

I heard a young French trade union say this at a forum in Paris last month where Jeremy Corbyn and Naomi Klein were speaking. Never have words been so true. And never has the expression "too big to fail" had more relevance than when referencing our planet.

My name is Jeff Johnson, and I am the President of the Washington State Labor Council, AFL-CIO. We represent about 450,000 union members in the state of Washington.

Over the past two years I have been working in the labor community to develop a clear, unified position on jobs and climate. During this time I have served on the Governor's Carbon Emissions Reduction Taskforce, passed a comprehensive Climate and Jobs Resolution at the 2015 WSLC Convention (Resolution 28 - www.wslc.org), joined the Governance Board of the Alliance for Jobs and Clean Energy, keynoted a town hall meeting at the steelworkers union hall in Spokane Valley, and was part of the labor delegation at the Paris Climate talks.

I have to say that the Alliance is the largest, deepest and broadest coalition that I have been in the thirty years I have done political work in WA State. The Alliance comprises environmental, labor, communities of color, business, faith based, and community organizations. The Alliance believes that the two great threats to broadly shared prosperity are income inequality and climate disruption. It also believes that these issues can and must be tackled together.

The Alliance is rooted in shared values that place equity at the core of climate solutions. Specifically:

- price increases in the transition away from fossil fuels need to be mitigated for those who had the least to do with causing carbon

pollution but who are disproportionately impacted by it - fossil fuel workers and fence line communities.

- there needs to be investments in communities of color and fence-line communities, both directly and indirectly, that creates clean energy jobs and opportunities for local residents to train for and receive these jobs, through community workforce agreements, local hire, and pathways to pre-apprenticeship and apprenticeship programs
- there needs to be a "Just Transition" for fossil fuel workers and workers in energy intensive, trade exposed industries that protects the incomes, health and pension benefits of these workers, provides retraining and job placement into the clean energy economy, and protects the tax base of these communities during the transition away from fossil fuels
- there needs to be compliance flexibility in the carbon reduction regime so that companies can actually meet the lower carbon emission standards over time, so that jobs and pollution are not leaked out of state or out of country
- there needs to be investments made from net revenues gained from carbon fees to pay for the transition and to help leverage investments in creating the new clean energy economy
- there need to be a comprehensive set of carbon reduction policies that include a descending cap on carbon, a price on carbon, and the investment of carbon revenues in what is nothing less than an economic transformation

Last month I was in Paris as part of the labor delegation to the Climate talks. What I learned in Paris reinforced the values that the Alliance is predicated on.

One goal for the talks was to prevent global temperatures from rising above 2 degrees Celsius with an aspirational goal of keeping temperatures below

a 1.5 degree increase. But the truth is that the ambitions on carbon reduction goals laid out by the 195 countries, when added together, produce a global temperature rise of between 3.5 and 4 degrees Celsius.

At these temperatures, Island nations disappear completely and low lying countries and cities e.g., think Bangladesh and Miami, become uninhabitable. The point being that to actually accomplish the job of reducing carbon and GHG enough to keep temperatures from creating tens of millions of food and water refugees we need a full complement of carbon reduction policies: a descending cap, carbon pricing, and investments to mitigate and adapt to climate change and to accelerate the growth of the new clean energy economy.

On this last point the Paris agreement speaks to \$ 100 billion dollars a year in funding from northern countries to southern countries for climate mitigation and adaptation. This is a good start but the United Nations predicts that the actual cost is closer to \$1 trillion needed per year. One place to look for the money is the 40% of the world's wealth held in banking tax havens.

The third thing we worked on in Paris was trying to get: "Just Transition" and human rights language into the operational portion of the Paris text. We did not succeed. We were able to get the language into the non-binding preamble of the text. This was a huge disappointment but also the first time the language appeared in the text at all.

I think the thing I took away from the talks that was most impressive was the knowledge that my counterparts in other countries recognize that climate change poses the largest economic transformation in the world since the industrial revolution. And we can either be at the table determining what this looks like, or we can be on the menu. An organizer in Oakland, California said, "Transition is inevitable, justice is not."

Question: Is there a middle ground between Initiative 732 and what the Alliance has been proposing.

Answer: While I want to acknowledge the incredible work of those in the room who collected the signatures for I 732 and for parts of the initiative itself, since the initiative has been filed the answer is no. And here is why:

- It is not a revenue neutral initiative. The State Department of Revenue has forecasted an additional \$ 675 million over the next four years added to our state's structural budget deficit if I 732 passes.
- There is no "Just transition" for fossil fuel workers or their communities in I - 732
- There is little equity in I 732 for communities of color and fence line communities. The state's Working Families Tax Rebate only provides for 47% of those who will be impacted by rising fuel prices. The initiative provides no investment and no jobs for impacted workers in communities of color.
- There is no compliance flexibility for energy intensive, trade exposed industries and so there is a great incentive for businesses to export jobs and pollution to locations outside the state.
- By lowering the state's portion of the sales tax and lowering some B&O taxes, in a state facing a structural revenue deficit, the state legislature will likely have to increase these taxes after two years of the initiative's passage, creating further public cynicism of Government
- In a number of polls on I 732 over the past year only once did the language of the initiative ever rise above 50% and then just barely. This before any real world opposition from the oil industry.
- Pricing carbon isn't enough anymore. British Columbia only has a price on carbon and their carbon emissions are beginning to rise again.
- We truly need a comprehensive set of carbon reduction policies to

fairly, justly, and adequately lower carbon emissions and to have an impact on climate change.