

Out tonight: the Green New Deal response to Labour

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This [letter has just been published in the Guardian](#). I had a little input:

It was heartening to hear Ed Miliband say in his speech that tackling climate change is a passion of his and that solving it could be a massive job-generating opportunity ([Report, 24 September](#)). The inevitable question of how to pay for this can be tackled by writing to Mark Carney, the governor of the Bank of England. He is on record as saying that if the government requested it, then the next round of QE could be used to buy assets other than government debt. Miliband said that the [Green Investment Bank](#) would be used to fund green economic activity and so Labour should allow it to issue bonds that could then be bought by the Bank using "[Green QE](#)". Similarly, local authorities could issue bonds to build new energy-efficient public homes funded by "Housing QE".

The Bank has already pumped £375bn of QE into the economy, but with little tangible benefit to the majority. Imagine the galvanising effect on the real economy of every city and town if a £50bn programme of infrastructural QE became the next government's priority. This could make every building in the UK energy-tight and build enough highly insulated new homes to tackle the housing crisis. It would provide a secure career structure for those involved for the next 10 years and beyond, massive numbers of adequately paid apprenticeships and jobs for the self employed, a market for local small businesses, and reduced energy bills for all. Such a nationwide programme would generate tax revenue to help tackle the deficit, but in an economically and socially constructive way. Best of all it would not be categorised as increased public funding, since QE spending has not and would not be counted as government expenditure.

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