

A Green New Deal



Friends of
the Earth
Scotland

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1. Context

Friends of the Earth Scotland described the recent UK pre-budget report (PBR) as ‘at best green-tinted’ and a ‘missed opportunity’ to begin investing in a ‘Green New Deal’ to support and create employment while cutting climate changing emissions. With recent calls by Barack Obama, the UN, and the ILO for significant investment in green-collar jobs¹; and in the same week that the UK Climate Change Committee published its first report, and the Scottish Climate Bill is to be published, it is very timely to be discussing what should happen in Scotland as a result of measures in the PBR, in particular the bringing forward of capital expenditure.

2. A ‘Green New Deal’

This is a great opportunity to deliver significant additional expenditure on investments in a Green ‘New Deal’. Such expenditure should be focused on measures that are job-rich (create high levels of employment per pound spent), that are good for local economies (have high local multipliers, with local responding, rather than leaking out on imports), and that are energy and emissions efficient (help cut climate changing emissions).

Friends of the Earth Scotland calls for additional expenditure:

- to improve energy efficiency and install small scale renewable energy in existing Scottish homes (at least £100 million per annum, in line with the vote in Parliament on November 13th 2008)
- on active transport – facilities for walking and cycling (which would also help improve the nation’s health, and disproportionately benefit low income groups)
- on public transport, including bus service improvements and rail electrification
- to support renewable energy, especially marine energy development
- to support recycling and reprocessing of Scottish waste, producing useful materials and making progress towards zero-waste.

At the same time as supporting the aforementioned measures, we would also guard against increased expenditure that, while possibly providing a short-term economic stimulus, does not provide corresponding long-term social and environmental benefits.

In particular, bringing forward expenditure on road construction and widening would have negative environmental impacts, locking in high levels of emissions for decades, while generating relatively few jobs. Road-building only creates a small number of temporary jobs, and typically redistributes existing economic activity, allowing businesses to rationalise their activities. In the current economic

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climate it could even facilitate companies to shed jobs, rather than increasing employment in Scotland.

3. Conclusion

Scotland is well-placed to deliver sustainable economic growth, but this requires thoughtful policy and economic measures that target fair, green, job-rich growth, rather than - as was the case in many of Chancellor Darling's measures - simply providing an indiscriminate stimulus to all economic activity. Such 'growth at any cost' has previously been rejected by this Government, and this position must be sustained.

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¹ See for example: <http://www.unep.org/Documents.Multilingual/Default.asp?DocumentID=548&ArticleID=5957&l=en>,
<http://www.bloomberg.com/apps/news?pid=20601087&sid=aGZs6vevDXyg&refer=home>,
http://current.com/items/89501997/obama_s_green_jobs_revolution_the_apollo_project.htm, <http://www.ilo.org/integration/greenjobs/index.htm>,
<http://www.neweconomics.org/gen/greennewdealneededforuk210708.aspx>