

Green Jobs

January 2005



It is essential that Scotland develops a more sustainable economy and we welcome the Scottish Executive's recent work on Green Jobs within this context. Yet rather than simply looking at the employment opportunities which various environmental initiatives offer, the Executive should be addressing the environmental injustices likely to arise from its continued commitment to growth as a precondition for sustainable development, rather than as a beneficial consequence.

In establishing a Green Jobs strategy the Executive must separate narrow commercial interests from Scotland's broader economic interests. Existing businesses tend to fight for their own interests – and against the interests of new firms that could be established in recycling, renewables and resource efficiency. Private companies express the interests of private capital, and underplay the value of social enterprises.

Key points:

1. An integrated approach to the greening of all jobs, embracing ecological taxation and corporate accountability reforms, is key to the delivery of sustainable development and environmental justice. An integrated approach would focus on

- sustaining jobs through a wide range of enterprises of various sizes rather than in short term large scale developments;
- seek improved quality of life rather than standard of living;
- pursue ecological or environmental productivity, rather than labour productivity;
- support social enterprise as well as conven-

tional private businesses to create jobs in response to community needs; and

- keep finances in communities, maximizing local economic multipliers rather than relying on inward investment.

2. A green economy will not be established purely through incentives to change practices. Sticks are needed as well as carrots. A 'just transition' towards a more sustainable, green job based, economy cannot just be achieved by stimulating sustainable industries and sustainable jobs, it also requires penalizing unsustainable industries and the jobs associated with them, without penalizing the workers who are in those jobs.

3. The Executive's political commitment to economic growth risks exacerbating environmental injustice. Because this goal is so one-dimensional, Scottish Enterprise and local authorities focus too heavily on large-scale, but often short term and environmentally damaging development. Developers and businesses who propose sensitive and enabling developments should be favoured over those who promote damaging and divisive proposals in the name of economic growth.

4. It is critical that the Enterprise Networks be given revised roles and responsibilities to deliver sustainable development and green employment and to have these as core parts of their remit. We welcome the proposal that the Green Jobs Strategy will supplement the strategic direction given to the Enterprise Networks. There is a clear role for the Networks to be at the forefront of identifying, communicating and supporting and developing new opportunities.

5. Public procurement should be used more proactively as a lever to stimulate responsible purchasing and thus investment in a more sustainable economy. 18% of GDP is via central and local government purchasing, thus public

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procurement offers great opportunities to support the provision of local sustainable jobs. We welcome the recent guidance on Best Value which clarifies that simply pursuing the 'lowest price' is unlikely to deliver the sustainable development objectives expected of Local Authorities. Past experience suggests that the implementation of this guidance must be carefully monitored and the relevant statutory provisions enforced. Practical support should also be provided to ensure rapid dissemination of new best practice. Procurement policy can also help with a wider greening of the economy by eg excluding companies which have broken environmental laws from bidding for public contracts for three years; or requiring companies supplying the public sector to undertake environmental and social reporting alongside financial reporting.

6. Clear targets should be set in specific sectors – such as energy efficiency - to give greater certainty to job-creating investments. There are significant opportunities within specific sectors for creating green jobs, and these opportunities should be encouraged and pursued.

Recycling : A doubling of energy from renewables from 6% to 12% could create between 500,000 to 800,000 jobs (EC figs). Ocean Power delivery estimate that a significant wave power installation programme in Scotland would lead to around 150 long term direct jobs for every 10MW / year of installed capacity. Greenpeace estimate that net UK jobs from a 10-30% offshore wind contribution would be between 24,000 and 75,000. Scotland has skill bases in both the traditional heavy industry and new hi-tech sectors necessary.

Energy Efficiency : Every pound invested in energy efficiency creates more employment than the same investment in conventional energy supply. In Scotland the latest update on the progress of the Home Energy Conservation Act estimated that between 1999 and 2001 12,475 jobs were sustained in installation work and 7129 elsewhere in the economy as a result of the reported investment in energy efficiency. There is large potential for energy efficiency improvements in Scotland: the UK PIU estimated in 2002 that the currently achievable, cost effective potential for energy efficiency in the UK was approximately 30% of final energy demand.

Recycling / resource use : Incinerating 10,000 tons of waste creates 1 job, landfilling the same amount creates 6 jobs, while recycling the same

amount creates 36 jobs. A report by the think tank Demos suggested that an intensive recycling programme in Britain would result in 15,000 jobs in collection and sorting and between 25,000 and 40,000 in manufacturing and processing. A particular benefit of recycling over single use of resources is that the jobs generated in manufacture of resources can be created close to where the wastes arise, rather than where the primary resources are extracted. Thus for an economy like Scotland's – a net importer of resources – there will be a positive redistributive effect.

Transport : A report highlighted by the Union International des Transports Publics notes that public transport generates twice as many jobs per passenger km than car transport. Investment in road construction does not benefit the economy overall, but merely redistributes jobs around the country. It is essential that a commitment to green jobs also means reducing support for jobs in environmentally destructive industries, eg facilitating air travel is assumed to be good for the economy, but economic evidence suggests that easier and cheaper air travel leads to a net loss in spending in the Scottish economy.

Agriculture : Labour use is on average 10% to 30% higher on organic farms than conventional. Given that 70% of UK organic produce is imported and the UK remains one of the fastest growing organic markets in Europe, with demand growing at 33% pa, there are considerable opportunities from developing Scotland's organic agriculture sector.

Financial Institutions : The scope for green jobs in this sector is growing as 'socially responsible investment' becomes a part of mainstream financial practice. This can be further enabled by support for corporate accountability measures and by supportive public sector investment policies.

Voluntary sector : The voluntary sector is often overlooked as an employer. Recent estimates by CAG put the envt not-for-profit sector employment at almost 17,000 in Scotland. To put this in context the motor trade employs less than 45,000, agriculture, forestry and fisheries combined around 57,000, and mining, quarrying and utilities 43,000. Consistent funding and support for this sector from the Executive could have remarkable multipliers in job creation terms through positive impacts of advice and campaigning on the other sectors listed above.