

Just Transition Partnership

Proposals for the The Just Transition Commission

March 2018

The Scottish Government announced that it would set up a Just Transition Commission in its Programme for Government of September 2017. In creating a Just Transition Commission, it has an opportunity to set out a bold path for a radical and fair transformation of the Scottish economy, both moving towards eliminating greenhouse gas emissions and achieving greater social justice and environmental sustainability.

This document sets out the proposals concerning the Commission from the Just Transition Partnership, set up by the Scottish Trade Union Congress and Friends of the Earth Scotland in October 2016, and supported by Unite, UNISON Scotland, UCU Scotland, CWU, PCS and WWF Scotland.

Context

The current targets for reducing greenhouse gas emissions are set in the Climate Change Act 2009; these will be updated and extended in the Climate Change Bill 2018 in light of the Paris Agreement and the scientific evidence upon which it is based, sending a clear signal to all stakeholders and to private enterprises and investors.

The rapid decarbonisation needed for Scotland's contribution to limits set in the Paris Agreement should not be made at the expense of the workforce in sectors which currently extract or depend on the use of fossil fuels. The UK has already experienced badly-managed de-industrialisation which led to workers losing out and communities being left behind. Similarly, experience to date shows that the growth of renewable energy generation does not necessarily result in the creation of new manufacturing and engineering capacity and employment in Scotland.

Specific measures are needed to ensure that these benefits accrue. We need to put in place measures to ensure that building a low carbon economy results in a growth in employment which protects workers' livelihoods and creates a new industrial base. If planned and delivered in the right ways, achieving decarbonisation should also help deliver a fairer, greener country with better housing, cleaner transport, improved health and greater equity.

Therefore the Climate Change Bill should enshrine a commitment that the transition will be a Just Transition - that is, that the ways in which a low carbon economy will be achieved will protect livelihoods, enhance social justice and create a fairer and more equal Scotland. This will require substantial flows of investment into low-carbon infrastructure and enterprises and the conversion of existing industrial sectors, including through engagement of the workforce via collective bargaining. With the launch of the Commission, the Scottish Government should commit to developing robust plans which

quantify the scale of the investments required for meeting emissions reduction targets and detail how their financing and delivery will be secured; and which consider the merits of increased public ownership in order to speed up and give direction to the transition.

To be effective, steps towards the governments' low carbon reduction objectives and a just transition will have to be integrated across all relevant parts of government. The objective should be included in the remit of the Scottish National Investment Bank and of a future Government-owned energy company; it should also be integrated into the Economic Strategy and the Energy Strategy. Just Transition should be incorporated into the Climate Change Plan, which should include specific measures and budget lines for supporting the transition of the workforce as well as appropriate performance indicators. The Just Transition should be a core theme of any future industrial strategy.

The Just Transition Commission should advise the Scottish Government on the transition to a prosperous low carbon economy in which the costs and rewards are shared fairly, and employment levels and job quality are protected and enhanced. In addition it can play a central role in energising and facilitating these changes through:

- focusing attention on what needs to be done and how it can be done in socially just ways;
- securing widespread and popular support through engagement with unions, employers and civil society;
- scrutinising and advising all of the actors involved, not just central government.

All sectors of society will have to play their part so it is important that the involvement of unions, workers and communities as well as enterprises becomes the norm.

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Remit

The Just Transition Commission should be given a remit which includes:-

- advising ministers on making the transition to a low carbon economy in which the costs and rewards are shared fairly
- reporting on and scrutiny of the measures put in place to ensure that livelihoods of workers and of communities are protected and social equity is enhanced.
- providing direction, leadership and strategic thought for Just Transition in Scotland, building on engagement with unions, workers and employers. In doing so it will support and enable the realisation of the Scottish Government's vision for a low carbon Scotland

The focus should be on transforming Scotland's whole economy through driving the transition to low carbon emissions, attending to jobs and job quality and the needs of workers and geographical communities – that is, on what needs to be done and how it can be done expeditiously and with a fair distribution of costs and benefits.

The Commission should be able to examine the plans and activities of all agencies whose actions are necessary for achievement of the Just Transition, and the extent to which they are integrated and joined-up. It should be empowered to make recommendations and advocate on behalf of the objectives of Just Transition. In order to prevent offshoring emissions production overseas, consider how to make the just transition to achieving the climate change targets without increasing consumption emissions

The principles of Just Transition should be enshrined in the Climate Change Bill which should also establish the remit of the Just Transition Commission. The time period of the work of the Commission should derive from the function of monitoring progress towards and achievement of emissions reductions targets under the Climate Change Bill.

Reporting

The Commission should report to Scottish Ministers. In the current distribution of Ministerial portfolios we advocate that principle responsibility should lie jointly with the Cabinet Secretary for Economy, Jobs and Fair Work and the Cabinet Secretary for Climate Change, Environment and Land Reform.

Its reports should also be laid before Parliament and it should be able to give evidence to Parliamentary Committees. The Commission will produce both annual and one-off reports.

Functions/activities

The Commission should be a fully independent body which can:-

- Advise Ministers on the transition to a prosperous low-carbon economy
- Investigate measures needed to achieve a Just Transition and actions taken in Scotland to implement them

- Report to Scottish Government, Scottish Parliament and to the Scottish public
- Recommend and advocate
- Monitor progress towards the achievement of a Just Transition towards emissions reductions targets under the Climate Change Bill / Act, including as appropriate in relation to consumption emissions
- Engage with workers, unions and enterprises affected

The Commission should carry out its duties in such ways that it can assist the Scottish Government overcome barriers to Just Transition, engaging the active participation of workers, employers and civic society.

The role of the Commission is expected to evolve over time. Evidence-gathering, research, public hearings and assessment of the challenges and opportunities can be expected to feature strongly in its initial work programme, with an ongoing monitoring and evaluation role in the longer term as Scotland strives to meet emissions targets under the Climate Change Bill / Act.

Composition and membership

The Commission should include trade union, community and environmental members, as well as representatives of business and local government. It should be chaired by someone who has the confidence of the trade union and environmental movements. Commissioners should be people who are committed to just transition as well as being able to speak from and report back to their sectors.

Secretariat and Resources

It is essential that the independent commission has the support of an independent secretariat which can co-ordinate its meetings and support its activities. The capacity to commission any research, organize events or facilitate consensus-building will depend on it having a budget of sufficient scale.

The Just Transition Partnership

The Just Transition Partnership was formed by Friends of the Earth Scotland and the STUC in October 2016. It also includes the unions Unite, UNISON Scotland, UCU Scotland, CWU and PCS and WWF Scotland.

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