

Advisory Group on Economic Recovery Recommendations

*A Friends of the Earth Scotland briefing
June 2020*



Summary

Friends of the Earth Scotland believes that the Advisory Group on Economic Recovery's report falls far short of creating the vision for a green recovery and wellbeing economy that the Scottish Government is aiming for.

The Scottish Government's economic recovery plans must be bolder, with decarbonising our economy as a central pillar running throughout all activities, and detailed measures to create quality green jobs while tackling poverty and pollution.

Some proposals in the report could support a Just and Green Recovery, but only if the Scottish Government adopts them with an explicit focus on a Just Transition. Additionally, the Scottish Government's economic recovery plans must:

- Commit public investment in green job creation programmes, such as through a Publicly Owned Energy Company and a national home energy efficiency retrofit programme
- Develop a new economic strategy, which delivers a Just Transition
- Increase mobility by improving our transport system

A Just and Green Recovery

As we plan our economic recovery, we must build back better. The Scottish Government must now lay the foundations for a fairer, greener future, with huge public investment in good, green jobs and a Just Transition to a zero-carbon economy.

Over 80 civic society organisations from across different sectors of Scottish life have written to the First Minister calling for a radical response to the coronavirus recovery that puts people before profit¹. These groups highlighted how the double crises of coronavirus and climate change are exposing and worsening deeply damaging inequalities within society, and called on the First Minister to ensure the recovery transforms our society and economy in a way that puts people and planet first.

The Advisory Group's report

The Advisory Group's report failed to put the Green Recovery as a central pillar of our rebuild, instead relegating 'Green

Investment' to one, more isolated, recommendation. The report wrongly frames a zero carbon as simply a tool for delivering economic recovery, rather than acknowledging that an economic recovery should deliver a zero carbon economy.

It's also disappointing to see no emphasis on transforming our highest emitting sector, transport, and limited focus on energy, heating and energy efficiency, all sectors where we know opportunities exist to move away from fossil fuel activities while creating good zero-carbon jobs.

There are, however, some recommendations that could, with some adaptation and strengthening, be adopted to deliver the Green recovery:

- Make Government support for business conditional on reducing emissions and creating quality jobs
- Speed up renewable energy generation
- Introduce a jobs guarantee for young people, with a prioritisation of jobs in zero-carbon industries

¹<https://foe.scot/resource/just-green-recovery-letter-first-minister/>

- Create an explicit focus on consumption emissions, and move towards a circular economy

The Scottish Government's response

If the Scottish Government are serious about delivering a Just and Green Recovery, their response must go further in setting out policies that will create jobs and reduce emissions.

Unlike the Advisory Group's report, the Scottish Government's plans must have a Just and Green Recovery at the heart of all policies and activities, rather than a bolt on. The focus should be on tackling those areas, like transport and energy, which are high emitting but have known zero-carbon alternatives to burning fossil fuels.

Public investment to create jobs

We need to see greater direct involvement of the Government in the energy sector, where private enterprise has failed to capitalise on the opportunities in renewable energy. The Scottish Government should expand its plans to create a Publicly Owned Energy Company (POEC), launching a POEC with powers to generate renewable energy. This should be combined with a national retrofit programme to improve building energy efficiency - creating jobs across Scotland and tackling fuel poverty while reducing emissions in one of our highest emitting sectors.

A new economic strategy

While there are steps that must be taken in the short term, the Government should also move quickly to set out a new Economic Strategy which delivers a just, circular, and decarbonised economy. The strategy needs to provide a long-term vision for a Just Transition to a zero-carbon economy, consistent with the Government's climate targets, and providing necessary direction to stimulate growth and investment in fossil fuel free industries.

Improving our transport system

Transport remains Scotland's highest emitting sector, representing almost a third

of our total emissions. Economic recovery plans must prioritise increasing access to affordable, sustainable transport, expanding the economic opportunities available to individuals. This can also create direct job opportunities in manufacturing and construction of transport infrastructure, whilst emissions from road traffic.

Investment should build on the uptake we've seen in active travel, while overcoming some barriers to public transport. This is especially crucial to avoid a post-lockdown rush to cars. This should include:

- Extending the benefits of free bus travel to more people
- Rolling out more low-emission and electric buses
- Supporting local authorities wanting to run bus services using powers in the Transport Act (Scotland) 2019
- Creating funding to make Spaces For People infrastructure permanent

Alignment with other reports

It is important to highlight that the Scottish Government's response to the Advisory Group's report is due to be published at a similar time to the report from the Just Transition Commission on shaping the recovery.

We hope the Government reflects on these closely aligned timescales and takes on board the Just Transition Commission's views, as well as those of its other advisory groups where possible, before setting out its response to the Advisory Group's report.

For more information contact:

Fergus Boden
Parliamentary Officer
fboden@foe.scot

Caroline Rance
Climate Change Campaigner
crance@foe.scot