



## Summary

Friends of the Earth Scotland (FoES) welcomes the opportunity for MSPs to debate the green recovery. Below we set out how, to fully realise the benefits of a green recovery for jobs, the economy, our climate goals and Just Transition commitments, the Scottish Government must:

- Provide large scale, up front investment to kickstart the green recovery.
- Deliver a programme of public green job creation in areas needed for the transition, like energy efficiency, sustainable transport and renewable heating.
- Ensure that all Government spending, policy and strategies are aligned with a just and green recovery.
- Take a new economic approach prioritising wellbeing, climate and environment.
- Prepare an economy wide Just Transition Action Plan and invest in skills training

## The importance of a Green Recovery

The pandemic, unfolding against a backdrop of climate breakdown, has triggered the UK's deepest recession. Tens of thousands of people have already lost their jobs in Scotland, and urgent government intervention is going to be vital.

This is also the critical decade for tackling climate change and meeting Scotland's target of cutting emissions 75% by 2030.

A green recovery can be transformative, creating thousands of good jobs and building the zero-carbon economy.

A University of Oxford study which assessed over 700 stimulus policies from 53 countries found that green projects such as energy efficiency and clean energy infrastructure **create more jobs, deliver higher short-term returns per pound spent, and lead to increased long-term savings** compared to traditional stimulus<sup>1</sup>.

A Scotland specific study from Transition Economics found that a two-year emergency infrastructure stimulus in clean projects could create almost **150,000 jobs**<sup>2</sup>.

SPice notes that a green recovery from the 2008 recession failed due to narrow focus, inadequate investment, lack of long term vision and being undermined by continued higher investment in high carbon activities<sup>3</sup>. We must not repeat these mistakes.

## Scottish Government approach to date

The Government has announced some positive steps towards a green recovery, such as increased energy efficiency funding, but overall there is no indication of the large scale, long term, economy wide transformative approach needed.

In some instances, such as electric bus manufacturing at Alexander Dennis and wind turbine manufacturing at BiFab, vital support for Scotland's existing green industries has not been offered.

We agree with the ECCLR Committee that **“systemic change is needed at the heart of tackling the climate and ecological crises and in delivering a green recovery”** and that a green recovery route map is needed<sup>4</sup>. This

<sup>1</sup> Will COVID-19 fiscal recovery packages accelerate or retard progress on climate change?

<https://www.smithschool.ox.ac.uk/publications/wpapers/workingpaper20-02.pdf>

<sup>2</sup> Analysis of Infrastructure Investment options for Economic Recovery, Transition Economics [http://www.stuc.org.uk/files/Scotland\\_Report.pdf](http://www.stuc.org.uk/files/Scotland_Report.pdf)

<sup>3</sup> Expert Views on Green Recovery, SPice

<https://digitalpublications.parliament.scot/ResearchBriefings/Report/2020/12/15/a618e860-29a0-11eb-b2bc-000d3a23af40-1>

<sup>4</sup> Green Recovery Inquiry - Report, ECCLR Committee

[https://www.parliament.scot/S5\\_Environment/Reports/ECCLRS0520R12.pdf](https://www.parliament.scot/S5_Environment/Reports/ECCLRS0520R12.pdf)

requires new economic thinking and bold intervention from the Scottish Government.

### **A new economic approach**

The Committee's recommendation, and the Scottish Government's commitment, to a wellbeing economy is welcome. To deliver an economy that is able to prioritise social and environmental benefits over private profit requires a **substantial increase in alternative ownership and investment models**, a shift away from GDP towards indicators including **wellbeing and sustainability**.

We are concerned about the overreliance on private business to create jobs in the Scottish Government's recovery plans, and call on the Scottish Government to prepare a **new Economic Strategy aligned with climate goals, a Just Transition, wellbeing, and circular economy**.

### **Green Jobs**

Government must kickstart the green recovery with public programmes to create thousands of good green jobs across the country. Priority projects which deliver multiple benefits of job creation, cutting climate emissions and creating wider social benefits, include:

- Scaling up energy efficiency programmes, investing at least £244million in the next budget.
- Sustainable transport, expanding bus and active travel networks.
- Investing in the transition to renewable heat, heat pumps and heat networks in homes.

### **Just Transition & skills for the future**

The Scottish Government must develop a national, economy-wide Just Transition Action Plan, in consultation with workers, communities and Trade Unions. The Plan should lay out targets and timescales for investment and job creation, across sectors and regions.

There is a real danger that the recovery and a Just Transition will be jeopardised by shortfalls in availability of workers with the right skills. Government must therefore map the skills needed in Scotland for the

zero-carbon economy and begin funded, targeted programmes to address the gaps.

### **Address policy incoherence**

The chance of a green recovery is undermined by policies and strategies which promote high carbon activities, consumption and pursue economic growth at the cost of the environment and people's wellbeing. This includes the policy of Maximum Economic Recovery of oil and gas reserves, and continued support for destructive high carbon projects such as trunk road and aviation expansion. We support the Committee's recommendation to ensure all policies are tested for their alignment with green recovery.

### **Budget & spending**

The ECCLR Committee's report notes that "spend should be aligned to the delivery of strategic goals on green recovery, climate change and the ecological crisis". The Government must review all spending and investment in order to align with the Just and Green Recovery. As such, **public money should not be spent on fossil fuel projects** including CCS or Blue Hydrogen<sup>56</sup>.

We also support the Committee's recommendations to use the budget to "set a pathway towards a green, just and resilient recovery" and to frontload spend as much as possible. The draft budget failed to invest in the areas we know green jobs can be created, instead relying on £1.6billion spread over 5 years with only a small upfront investment. Parties must use negotiations to ensure investment is made in those areas with known job creation potential

More information on Friends of the Earth Scotland's proposals for a Green Jobs Recovery can be found [here](#)<sup>7</sup>, along with delivering a [Green Jobs Recovery Budget](#).<sup>8</sup>

### **For more information contact:**

*Fergus Boden,  
Parliamentary Officer  
fboden@foe.scot*

<sup>5</sup> FoES CCS Briefing <https://foe.scot/resource/ccs-briefing/>

<sup>6</sup> FoES Hydrogen Briefing <https://foe.scot/resource/hydrogen-briefing/>

<sup>7</sup> A Green Jobs Recovery, FoE Scotland

<https://foe.scot/10-steps-green-jobs-recovery/>

<sup>8</sup> A Green Jobs Recovery Budget, FoE Scotland

<https://foe.scot/resource/green-jobs-recovery-budget/>