

# Economy for people: A society for all



**Scotland needs a vibrant economy based upon the principles of sustainability.**

Scottish Greens will create an economy to deliver equity, social justice, democratic control and decent work while protecting the environment.

This Scottish Green Party firmly believes that with strong political action and convictions it is possible that together we can develop such an economy focussed on delivering the public good.

Our economy should be jobs-rich and low-carbon. We will deliver a government-led Green New Deal to invest millions of pounds in Green industrialisation.

We would build this Green New Deal on the premise that;

- Sustainable industry, social enterprise and small business will be supported,
- Democratic decision making and employee ownership are a social and economic 'good',
- Workers have a right to collective bargaining, decent conditions, fair pay and an effective voice in the running of businesses.
- Successful economies and enterprises are based on smart specialisation and direct employee involvement in management, product development and innovation.



**We'll deliver a Green New Deal and invest in Green industrialisation**

## **Making work accessible**

We will prioritise good quality affordable childcare that suits the needs of children first but also allows adults the flexibility to get involved in the labour market on terms that suit them. We reaffirm the rights of disabled people to equal access to workplaces through supporting requirements for Workplace Adjustments.

## **Making work fair**

The empowerment of people provides a key element in the development of a Green society and economy which is why we are committed to economic democracy. To this end we will support the development of co-operative ownership and/or control. We also support the collective organisation of workers in strong trade unions. Both are ways of asserting workers' rights and empowering individual workers.

## **Making work pay**

Billions of pounds each year are paid through tax credits to subsidise low-pay employers. In the UK if a living wages was paid of £7.85 p.h. over £2bn could be saved annually.<sup>1</sup> We will raise the minimum wage in steps to a level of £10 p.h. by 2020. This will be rolled out alongside tax relief for SME and local businesses. We would also introduce a Fair Pay Mark showing the gap between male and female wages and highlighting the gulf between directors' pay and the lowest paid employees. We will also legislate to limit the gap between directors' pay and the lowest paid employees.

## **Small business revolution**

Small businesses support over 40% of private sector jobs. Compared to larger corporations they are more likely to be locally owned, interconnected with the local economy and community and therefore will recycle profits and wages locally.

To support this we will:

- move the focus of tax incentives from large and multinational companies to small business and encourage the use of the planning system to support local economies.
- devolve business rates to local authorities to allow them to respond to local needs in the context of supporting local business.
- develop a small business regulator for business with fewer than 10 employees as a single port of call to help them navigate regulation and start-up more easily.
- ensure the transport system links local towns and high streets rather than merely routing people into main cities.
- make start-up support and shared office space in low-income areas a priority.
- incentivise public bodies to support local business through procurement. Public procurement is worth £9bn annually in Scotland.





**Energy** – Energy is a major industry in Scotland. More than 11,000 people are already employed in the renewables industry and most firms are expecting to grow. We have the offshore engineering skills to make marine renewables a success and create thousands more jobs in construction, grid development and research.

**Shipbuilding and space industry** – Clydeside is famous for shipbuilding and is gathering a reputation for its space and satellite industry. We should have the ambition to see Scotland at the forefront of engineering again. Shipbuilding needs to diversify away from one-off massive military contracts to a sustainable model built on smaller commercial boat building and manufacturing for the renewable energy industry.

**Construction and engineering** – Scotland has the opportunity to be a centre of excellence in low-carbon building skills and technologies. Our varied weather and geography offers the perfect opportunity to develop robust sustainable construction designs for the future.

**Energy efficiency** - We will tap the full potential of energy efficiency improvements in homes to deliver across many policy fronts including jobs. Investing Scotland's share of the EU-ETS funds in energy efficiency works could, in itself, deliver 8,900 long term jobs and provide a boost to our GVA by 0.27%.<sup>2</sup>

**Chemical science** – Oil is too valuable to burn and should be used instead to support a green oil-based industry in chemical, plastics and medicines. Grangemouth is well placed to benefit from such use.

**Food production** – Scotland is well placed to expand on its production in areas such as lamb, beef, shellfish, micro-breweries, fruit and veg production. We will work to support the development of such industries.

**Digital opportunity** – We will harness digital capacity ensuring all rural areas have access and support the roll out of remote working to stimulate local economies and reduce the need to travel.

**Tourism and sports** – People come to visit Scotland from all over the world but providing cheaper and better connected public transport, great quality accommodation in rural areas, and promoting activities such as sailing, mountain biking, walking and cycling trails, and wildlife safaris will diversify the types of tourist who arrive. High quality and skilled jobs should be the foundations of this industry.

**Medical and life science** – Scotland already has a successful industry creating and exporting medical devices and researching new life-saving treatments. This important high-skilled industry can be supported to grow with investment in research and skills.

**Textiles and design** – Creative designers have made sure Scotland's fashion and design has broken free from twee ideas and have created a global market for textiles. We can build on this success and support jobs in design and production.



# Oil economy and jobs

Oil is a finite resource and costs for reaching its dwindling supply are rising. Moreover, the burning of fossil fuels is behind the climate changes seen across the world which are destroying communities, causing water shortages and driving up global food prices. Fossil fuels reserves therefore need to be stewarded for the future rather than being exploited as quickly as possible.

The sooner we embrace the transition to the green energy future, the better for the employment prospects of those currently working in the oil industry and for the environment. Acting now allows us to develop a just transition designed to serve the public and worker's interests. Scotland can become a world centre for decommissioning and for this transition.

If, instead we leave private companies to control a transition away from oil we will see workers thrown on the scrap heap as the multinationals walk away once they have drained as much profit as possible from those workers, our oil resources and tax system. This will leave a heavily oil dependent economy with no oil, and oil workers with no work.

Rather than cutting taxes for the oil industry, Greens would invest in building skills and capacity in decommissioning. Beyond that we would use those tax subsidies to support renewables. We would redeploy and retrain existing workers to sustainably exploit the wealth of natural resources around our shores and build a new low-carbon industry based on tidal, wave and off-shore wind energy using these as a basis for our prosperity.

A just transition is possible. However, if we do not manage the inevitable decline of the North Sea the transition will go ahead, but will be unplanned, unmanaged and certainly not in the interest of the public good.



The SGP will build a Just Transition through;

- Creating an Energy Agency tasked with overseeing a just transition where workers will have representation and effective say. The agency will be tasked with developing alternative employment, training and redeployment in construction and maintenance of onshore and offshore wind and marine energy and grid interconnectors.
- Establishing a Centre of Excellence in decommissioning to establish Scotland as a world leader in what is set to become a global industry.
- Setting up Decommissioning Boards with strong workers' representation to manage decline and develop redeployment strategies.
- Developing levels of public ownership in decommissioning to ensure the public interest.
- Keeping reserves of this increasingly valuable resource untapped and use future extracted oil for non-fuel uses, plastics etc.

## Corporate welfare

Costs per of extraction per barrel have risen fivefold between 2002 and 2014 leading the industry to successfully lobby for even greater public subsidies which continue to grow today.<sup>3</sup> The UK Government is investing taxpayers money to prop up a dying industry and feed the profits of multinational corporations – this has been described accurately as a form of 'corporate welfare'.

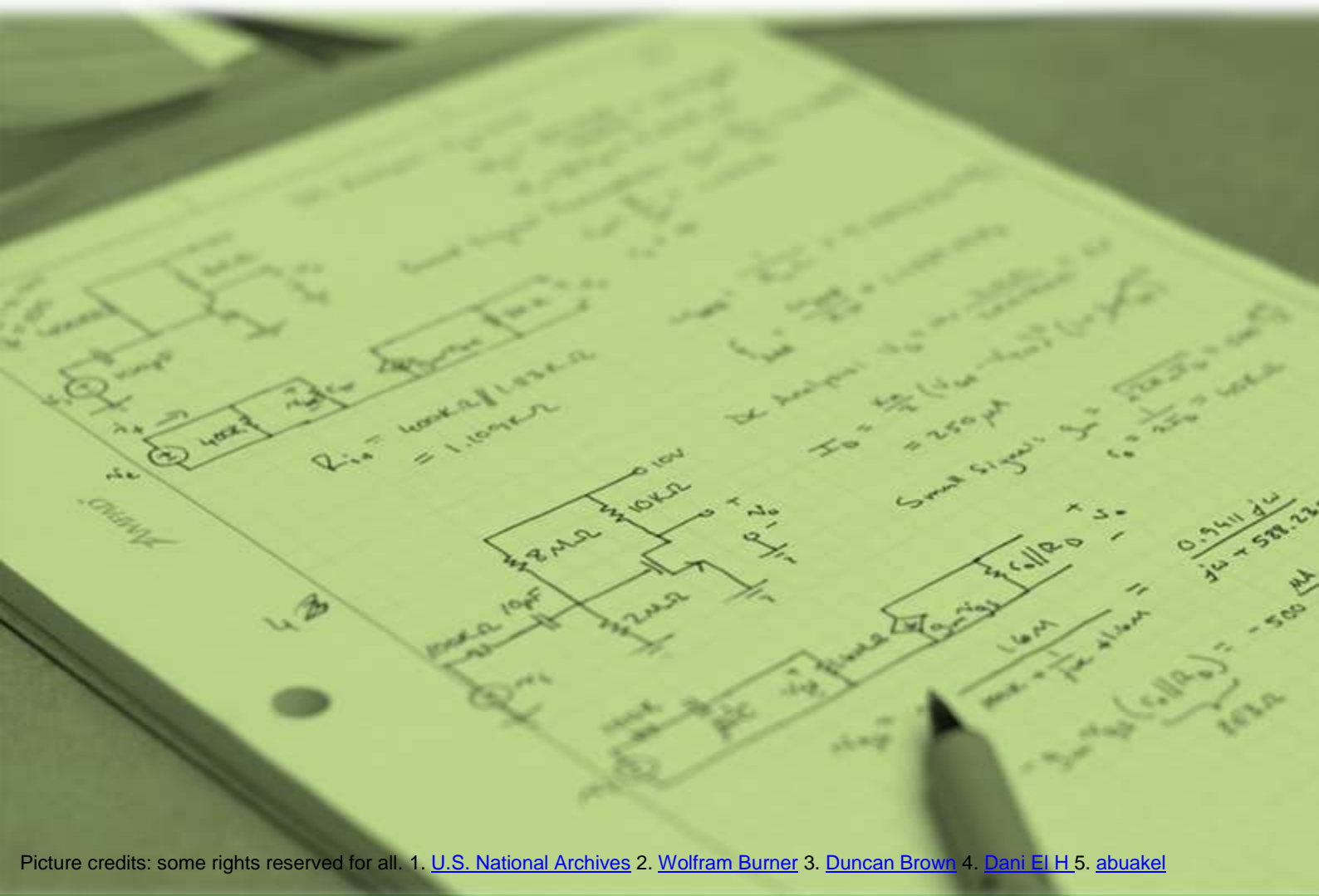
## Funding a just transition

The UK Government's latest budget created extra tax breaks worth £1.3 billion over 5 years.<sup>4</sup> This is on top of an estimated £1 billion worth of tax breaks already provided every year.<sup>5</sup>

Estimates show that if we extracted for the public purse what Norway has extracted from its oil resource then between 2002 and 2008 alone we would have raised an extra £74bn in revenue.<sup>6</sup>

Such vast sums of money could be used to finance a rapid transition from oil dependency to a stable sustainable economy.

Oil revenue should be used to fund alternative employment for oil workers in off and on-shore wind, marine renewables, grid expansion, decommissioning and the development of the use of non-fuel uses for oil.



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