



## UNISON Scotland response: Scottish Government Draft Offshore Wind Policy Statement – April 2020

### Introduction

UNISON is Scotland's largest trade union with members across the public, private and voluntary sectors. We are the largest trade union in the gas and electricity sectors, as well as in local government and other sectors with a specific interest in this issue. All our members have an interest in the wider citizenship impact of Scotland's energy strategy. UNISON Scotland is a member of the Just Transition Partnership, established by Friends of the Earth Scotland and the STUC in 2016.

UNISON Scotland welcomes the Scottish Government's consultation paper and the opportunity to respond.

### Overview

We believe a much more interventionist approach is needed from government to achieve the scale of the developments needed in offshore wind deployment and with the urgency that is required. The consultation paper notes that achieving net zero by 2050 will require not just meeting the target of 8GW off-shore wind by 2030, but a very significant increase in our off shore wind capacity after that.

Over the past few decades the market has not achieved the urgent action needed to deliver carbon zero.

- Investment in green energy in the UK has collapsed since 2015.<sup>1</sup> The current system is not driving the investment needed to meet climate change targets.
- Job creation has been poor. The interim report of the Just Transition Commission cites decades of failure to create jobs in the renewable industry's supply chains.

Based on its analysis of renewable energy development projects, the STUC concluded last year that there has been:<sup>2</sup>

- a failure to build a domestic industrial base;
- an over-reliance on imported goods and services;
- a driving down of working conditions through sub-contracting;
- a dominance of overseas financial interests.

<sup>1</sup> <https://www.parliament.uk/business/committees/committees-a-z/commons-select/environmental-audit-committee/news-parliament-2017/green-finance-report-published-17-19/>

<sup>2</sup> <http://www.stuc2017.siteiscentral.com/files/Policy/Research-papers/Brokenpromisesandoffshored%20jobsApr2019.pdf>

The population of Scotland has paid the price since the 1970s of allowing private interests to control national energy assets. We should not repeat these mistakes again. The Scottish Government must now take the lead and exert the public ownership, direction and control that is needed to make sure that our communities and our workforce gain the full benefits of the transition to green energy. The injustice of the Bi-Fab situation in relation to the offshore wind development Neart na Goaithe, owned by the French state company EDF, cannot be allowed to be repeated.

## **The way forward**

We believe the following actions are required from Government:

The adoption of an industrial policy for the offshore wind sector which uses the advantages of public ownership and investment to deliver social and economic, as well as climate justice. Central to this is the role of a publicly owned energy company (POEC) and the Scottish National Investment Bank, which needs to have a focus on climate change and a Just Transition.

As we made clear in our 2018 submission, we believe the remit of the POEC must be ambitious and include generation and transmission. The POEC has an important role to play in driving the transition and promoting renewable generation including offshore wind developments. The POEC, with the Scottish National Investment Bank, can play a significant part in addressing the need for investment, helping to deliver an industrial strategy aligned with the government's Climate Change Plan. We see a POEC as one step in extending public ownership throughout the system, with the Company also having a role in promoting and supporting local energy cooperatives and smaller municipally owned energy companies.

A much greater level of government- led funding for research and development and a mechanism for distributing this to enable innovation in offshore wind development projects and other forms of renewable energy. This could be through something like an energy development agency for Scotland. Sufficient longer term patient finance is not available from commercial interests and is best provided through government funding, taking advantage of low borrowing rates, and by investment by public sector pension schemes, encouraging disinvestment from fossil fuels and into renewable energy.

Procurement and licensing powers must be utilised to deliver a Just Transition for workers and communities by securing a proper share in the supply chain for indigenous firms and by delivering fair work principles in practice. That means tackling the down streaming of risk through subcontracting within the offshore wind sector, which has resulted in documented examples of highly exploitative practices, particularly against overseas workers in Scottish off-shore projects.<sup>3</sup>

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## **Conclusion**

There is a window of space currently for the Scottish Government to ensure that the POEC, due in 2021, and the Scottish National Investment Bank are established in such a way that they can perform the role that is required to deliver an industrial policy for the offshore wind sector. We can allow commercial interests and the state energy companies of other nations to reap the benefits of offshore wind development in Scottish waters, or we can provide the leadership and bold action needed for Scotland's communities and workforce to benefit.

## **UNISON Scotland**

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