



Introduction

UNISON is Scotland's largest trade union with more than 150,000 members across the public, private and voluntary sectors. We have a large membership in the gas and electricity sector, across health and local government, with members also in NDPBs including the Scottish Environment Protection Agency. More than three quarters of our membership are women. We welcome the opportunity to respond to the Scottish Government consultation on its draft Energy Strategy and Just Transition Plan (ESJTP).¹ We also support the review by the Just Transition Partnership (JTP)² and the response from Stop Climate Chaos Scotland (SCCS)³.

Our response starts with some background before our ESJTP overview, which argues **public ownership policies are essential in energy and transport, with major investment needed in these and in public services overall, as part of a just transition.**

Background

Action on climate change has been a key priority for UNISON for many years. The need for policy responses at sufficient transformational scale is increasingly urgent, as shown in the stark climate scientists' conclusions in the March 2023 IPCC Synthesis Report - dubbed a final warning to/survival guide for humanity.⁴

Getting energy and just transition planning, policy and delivery right is not only much needed and long awaited, but essential to ensuring a just and green recovery from the Covid-19 pandemic, leaving no one behind. We need an economy that won't destroy the planet. The consultation comes at a time when it is clear the energy system has to change dramatically. It is widely agreed to be immoral that energy companies once again enjoy record profits⁵, yet we have cost of living and energy costs crises leaving millions struggling financially, hard on the heels of the pandemic.

A just transition is vital to climate action. It aims to ensure the costs and rewards of transition are shared fairly, with employment levels and job quality protected and enhanced. This helps ensure popular support by bringing into account socio-economic benefits and the needs of workers and communities. We are proud to have campaigned for just transition policies in Scotland's climate legislation and for a Just

¹ <https://www.gov.scot/publications/draft-energy-strategy-transition-plan/>

² <https://www.jtp.scot/wp/wp-content/uploads/2023/05/JTP-ESJTP-consultation-response-guide.pdf>

³ <https://www.stopclimatechaos.scot/wp-content/uploads/2023/05/SCCS-ESJTP-response-May-2023.pdf>

⁴ <https://www.theguardian.com/environment/2023/mar/20/ipcc-climate-crisis-report-delivers-final-warning-on-15c>

⁵ <https://www.bbc.co.uk/news/business-65427372> <https://www.standard.co.uk/business/business-news/bp-profit-more-than-ps500m-higher-than-expected-b1078094.html>
<https://www.theguardian.com/business/2023/may/02/bp-profits-energy-windfall-tax-oil-gas>

Transition Commission (JTC). We have worked on just transition and climate justice with the STUC, COP26 Coalition⁶, the TUC, Public Services International and the international trade union movement at recent United Nations climate talks, including COP26 in Glasgow and COP27 in Sharm El-Sheikh. The International Trade Union Confederation said last month to the G20 Leaders, there must be restructuring of international financial institutions “to serve a just transition to carbon neutrality, sustainable development and investment in the care economy and public services”.⁷ The Labour 20 Statement pointed out: “Climate scientists have issued a dire warning about an impending global catastrophe...Chronic underinvestment in the real economy and corporate price gauging have created a cost of living crisis, with workers bearing a disproportionate share of the burden.”

At the April 2023 STUC Congress, our Convener, Lilian Macer, spoke in favour of a wide-ranging motion calling for democratic public ownership and an integrated industrial strategy to tackle climate change and the energy crisis. She said devastating climate impacts already happening are interlinked with the cost of living and energy crisis, stating: “The future has to be renewables – a green energy revolution. But we won’t win the just energy transition that is urgently necessary if it’s left to the private sector. That would continue with ordinary people paying the price for crises not of their making while the big energy companies and the world’s top 1% keep raking in the dosh as the planet burns.”

UNISON wants the Scottish Government to understand that people have had enough of being ripped off by profiteering oil and gas companies; they are fed up with being promised green jobs that aren’t delivered; fed up of lack of support for home energy efficiency, especially for those on low incomes and renting; angry at being told to cut car use, when bus and rail services are slashed and fares rise. They are furious when offered well below inflation pay ‘rises’. They want joined up policies that work for people and planet. Trade union members are standing up and fighting, determined not to be walked all over by governments and/or employers and they have public support in striking to win improved pay offers. A green recovery would see workers paid well and would deliver reduced poverty and fuel poverty and improved health and quality of life, supported by quality public services providing long term sustainable jobs in our communities.

The trade union movement demands the strongest possible fair policy action to transform energy systems and the economy. This must be as part of a just transition that reduces greenhouse gas emissions, tackles inequalities and helps limit global temperature rise to the Paris Agreement 1.5C target or as close to that as is still feasible. And we need concerted global action to ensure the richer countries pay their fair share, including loss and damage funds to support developing countries who are being affected first and most severely.

Such major changes involve tough choices but we do not accept that ordinary people must accept being less well off⁸. There is plenty of money being made by those at the top as corporate profiteers exploit the crises to hike prices⁹. People want to support a transition but it has to be fair - locally, nationally and internationally. Many have

⁶ Now the Climate Justice Coalition. <https://climatejustice.uk/the-coalition/>

⁷ <https://www.ituc-csi.org/labour-20-statement-to-g20-leaders>

⁸ <https://www.unison.org.uk/news/2023/04/banks-chief-economist-is-living-on-another-planet/>

⁹ <https://www.oxfam.org/en/take-action/campaigns/survival-of-the-richest>

seen the massive human impacts of past transitions that were deeply unfair, such as the rapid unplanned closure of coal mines, devastating entire communities.

It is deeply frustrating that despite welcome warm words of intention from ministers and in the consultation document, the draft ESJTP is not at this stage fit for purpose as a plan or a strategy. Our detailed comments are in the Just Transition section below.

Overview

“The solutions to the cost of living crisis, the climate crisis, and the green jobs crisis, are all underpinned by direct intervention and democratic public ownership, from UK, Scottish and Local Government. Only through grabbing the reins of our energy systems, can we solve these crises; to protect people’s bills through affordable energy, to kickstart a major street-by-street retrofit programme, to end profiteering from energy monopolies, and to ensure investment in infrastructure brings Fair Work, and benefits to communities, across Scotland, and beyond.”

Roz Foyer, STUC General Secretary, at the Just Transition Partnership
‘Reclaiming Our Energy’ Conference, February 2023.¹⁰

In this overview, we focus on five priorities

- **the importance of investing in social infrastructure – care, education and health, as part of a just transition**
- **the climate science that demands the world phases out fossil fuels urgently – we call, with the SCCS coalition, for the Scottish Government to start planning immediately for a credible managed wind down of North Sea oil and gas as part of a just transition, with trade unions and communities fully involved in agreeing timescales**
- **the strong case for public ownership in energy and transport**
- **planning a truly just transition**
- **funding the transition - spending priorities and political choices**

Within these areas we will address: Just Transition Commission recommendations on social infrastructure; the urgency of the climate crisis and action on oil and gas; no new nuclear; public ownership and control of energy; a publicly owned energy company, municipal and community energy; public transport; energy efficiency and retrofitting; decarbonising public services; hydrogen; public investment /funding.

1. Social infrastructure and a just transition

We welcome the fact that one of the key sets of recommendations from the (second and current) Just Transition Commission’s initial report of July 2022¹¹ was the importance of social infrastructure - the green jobs in social infrastructure, including the care, health and education services “that underpin economic performance and sustain the entire workforce. These will be critical for delivery of the Scottish

¹⁰ <https://www.jtp.scot/reclaiming-our-energy/>

¹¹ <https://www.gov.scot/binaries/content/documents/govscot/publications/independent-report/2022/07/making-future-initial-report-2nd-transition-commission/documents/making-future-initial-report-2nd-transition-commission/making-future-initial-report-2nd-transition-commission/govscot%3Adocument/making-future-initial-report-2nd-transition-commission.pdf>

Government's Just Transition Outcomes across the board, and most obviously on adaptation and resilience. Achieving the transformation in a just manner requires that we significantly expand the number of jobs, skills and pay in the low-emitting social infrastructure sector."

Strategic priorities outlined covered investment to build resilience, re-training and upskilling, and tackling systemic inequalities. The JTC said: "Meaningful protection for the most vulnerable through a major renewal of Scotland's social infrastructure will be key to resilience and adaptation to the inevitable impacts of climate change.

"The pandemic and cost of living emergencies show disadvantaged groups are disproportionately affected by major shocks and are least able to sustain adverse impacts. A high-quality social infrastructure with strong, durable capacity is essential in order to cushion the inevitable social and economic harms of the major changes ahead. Investment in the creation of skilled and well-paid jobs in social infrastructure will effectively pay for itself, helping to stabilise public finances as expanded employment in this sector increases household and corporate income and tax revenues. Investment here will create a healthier, better educated and more productive population."

The principle was highlighted by UNISON Scotland Depute Convener Stephen Smellie, speaking to the Scottish Parliament Finance and Public Administration Committee in September 2022 on UNISON's submission¹² as part of its pre-Budget scrutiny. He said:

"We need to invest in public services in order to create the safer, better and more equal communities to which we all aspire. There is no way round it. If we undermine public services in the way that has been done for many years now with the squeeze on public sector funding, the economy will start to crumble, because the social infrastructure is just not there to sustain those in work who will otherwise have to look after their parents, their kids and so on. This sort of thing is integral to the future."¹³

With the JTP, we particularly welcomed, given the major changes proposed in the National Care Service Bill and the threat to 75,000 local government jobs¹⁴, the JTC recommendation that the new care service should be "firmly in the public sphere with a robust public investment plan and a human rights delivery approach at the local, regional and national level."¹⁵ For this to happen it is crucial that local government retains its statutory duties for social care and social work. Both the powers and the jobs must remain with local councils and action taken now to raise the quality of jobs in care. We need a national plan for removing profit from care and returning essential care services to the public and not for profit sector. Our own positive vision of a real National Care Service will not be delivered by this current bill. Now that the bill is paused, this is the case we will be making to the First Minister to create an NCS we can all support. UNISON has welcomed the further pause on the NCS and the FM's commitment to engage with trade unions on our concerns.

¹² <https://unison-scotland.org/scotlands-public-finances-cost-of-living-impact-public-service-reform/>

¹³ <https://www.parliament.scot/chamber-and-committees/official-report/search-what-was-said-in-parliament/FPA-27-09-2022?meeting=13908&iob=126050>

¹⁴ <https://unison-scotland.org/wp-content/uploads/UNISON-Scotland-NCS-Bill-guide-.pdf>

¹⁵ <https://stuc.org.uk/media-centre/news/1660/just-transition-government-must-act-on-decarbonisation-recommendations>

It is not clear how and where the Scottish Government plans to incorporate outcomes on social infrastructure in Just Transition Plans, but we urge them to implement the JTC recommendations, including for “A New Deal for Social Infrastructure Workers” with condition enhancing measures, as well as the proposal for a social infrastructure indicator on the National Performance Framework to enhance alignment with Just Transition Outcomes. We support the strong case made for social infrastructure investment by the STUC and Scottish Women’s Budget Group last year, including that the Scottish Government should reverse plans to cut 30,000 public sector jobs.¹⁶

2. Oil and Gas – no new oil and gas and a credible managed wind down

Lilian Macer, in her STUC speech cited above, referred to the IPCC Synthesis Report and said: “UN Secretary General Antonio Guterres said a quantum leap in action is needed – warp speed! Specifically, we must move away from fossil fuels. He called for:¹⁷

- Ceasing all licensing or funding of new oil and gas
- Stopping any expansion of existing reserves.
- Shifting subsidies from fossil fuels to a just energy transition.
- A global phase down of existing oil and gas production compatible with the 2050 global net zero target.”

UNISON supports the SCCS briefing: ‘A managed wind down of North Sea oil & gas production in line with a Just Transition’.¹⁸ This points out that in line with climate science, the International Energy Agency recommended in 2021 that there should be no new oil and gas fields approved for development.

The Scottish Government should use its final Energy Strategy to state unequivocal opposition to any new offshore oil and gas licences, for both exploration and extraction of known reserves.

UNISON supports the SCCS demand for a managed and just wind down of North Sea oil and gas production as quickly as possible in line with keeping temperature rise to 1.5C. Scotland and the UK should take an equitable approach to this process. We call for the Scottish Government to include in its final ESJTP a position of starting immediately to plan for a credible managed wind down as part of a Just Transition, with trade unions and communities fully involved in agreeing timescales. It should use all powers at its disposal to prioritise the creation of decent jobs in renewables and energy efficiency and put in place strong safeguards for impacted workers transferring from oil and gas jobs to renewables and other work.

As SCCS says, “Concerns about energy security, resilience and affordability, driven by global events and the current cost of living crisis, are best addressed by an energy strategy that is based on demand reduction, clean energy and greater

¹⁶ <https://www.scotsman.com/news/opinion/social-infrastructure-is-the-keystone-to-a-healthier-happier-greener-and-more-productive-scotland-stucswbg-3778634>

¹⁷ <https://www.un.org/sg/en/content/sg/statement/2023-03-20/secretary-generals-video-message-for-press-conference-launch-the-synthesis-report-of-the-intergovernmental-panel-climate-change>

¹⁸ <https://www.stopclimatechaos.scot/wp-content/uploads/2023/01/SCCS-briefing-a-managed-wind-down-of-North-Sea-oil-and-gas-production-in-line-with-a-Just-Transition.pdf> <https://foe.scot/press-release/offshore-workers-demands-take-on-government-inaction-and-industry-profiteering/>

efficiency. A managed and just phase out...forms an essential part of a sustainable long-term approach.”

UNISON Scotland does not believe that nuclear energy has a role for future development. We agree with the Scottish Government’s position of opposing new nuclear. The investments necessary would divert much needed investment in genuine renewables and in energy reduction measures.

With a number of other unions, UNISON was pleased to support the publication in March of the ‘Our Power’ report from Friends of the Earth Scotland and Platform. Subtitled ‘Offshore Workers Demands for a Just Energy Transition’, it lists 10 demands for a just transition.¹⁹ FoES said the report was “an industry first, putting workers front and centre in a plan for decarbonisation and public ownership.”

In the Just Transition Commission’s recent letter to Cabinet Secretaries, it said the revised final Strategy should show how the Scottish Government has considered and responded strategically to the report’s insights and proposals, including the 10 workers’ demands.

3. Public Ownership is essential – energy and transport policy

The JTP notes in its review, cited above: “The absence of significant attention to public ownership, conditionality, fair work and collective bargaining in a document which is meant to describe a just transition calls into question whether the idea of a just transition is properly understood.”²⁰ It argues that relying on markets for achieving change is flawed when “the most effective, most efficient, least expensive and most just way” of delivering investment for transformational change is public driven. Yet as ScotWind shows, the Scottish Government is “married to market-based mechanisms and private ownership”, resulting in tens of billions of pounds of profits flowing out of Scotland every year to foreign investors, including other countries’ publicly owned energy companies.

Our purpose here is to argue, as we do below, for a Scottish publicly owned energy company with a broad remit and a further expansion of public energy.

But we do want to comment on transport. A draft Just Transition Plan for Transport is one of three more due to be published soon, although this ESJTP does cover energy in transport. We would highlight of course that the policy of phasing out new petrol and diesel cars and vans by 2030 and reducing car kilometres by 20% is far more likely to win public support and action if there is greatly improved public transport. Tackling energy demand, including reducing car use, is a big win for the climate and should be a high priority. We want to see the reversal of cuts to bus²¹ and rail services, and to see Scottish Government funding support for municipal bus companies in particular and a full review of how public transport can be improved

¹⁹ <https://www.theguardian.com/business/2023/mar/06/offshore-energy-workers-call-for-public-ownership-in-uks-net-zero-carbon-transition>

²⁰ <https://www.jtp.scot/wp/wp-content/uploads/2023/05/JTP-ESJTP-consultation-response-guide.pdf>

²¹ As highlighted by Sarah Boyack, Labour spokeswoman for net zero, energy and a just transition. in the 20 April Scottish parliament debate on Climate Change and Just Transition.

https://www.parliament.scot/chamber-and-committees/official-report/search-what-was-said-in-parliament/meeting-of-parliament-20-04-2023?meeting=15249&iob=130103#orscontributions_M16190E445P781C2484568

and funded urgently to deliver an integrated and affordable system Scotland wide. This needs to provide good links in rural areas and a good range of service times, not stopping at the end of peak hours. There needs to be pilots of free public transport schemes and lessons learned from examples in other parts of the UK and internationally of how to deliver quality affordable transport. For example, the new 49 Euros per month Germany Ticket, making public transport throughout Germany more affordable (although there are calls for bigger subsidies for families, young people and those on low incomes) and ‘driving’ a switch away from cars.²² Green travel to work schemes should investigate provision of vouchers for public transport, including as optional alternatives to ‘company’ cars.

UNISON would support free bus passes for public service workers such as social care and health workers whilst at their work to encourage use of public transport and reducing car use for work purposes. This is just one example of a measure that would benefit workers, the public purse and the climate. However, for some workers, cars are essential and access to electric vehicles should be provided. The burden of increased costs should not fall on low paid workers.

The case for public ownership in energy and transport was strong even before increasing awareness across society of the climate emergency, and it is widely understood to make absolute sense now. Many lessons on this were learned during the pandemic and of course we have recently seen the one-year anniversary of ScotRail being taken into public hands. Our sister union, the RMT, has urged Humza Yousaf to keep his SNP leadership campaign pledge to keep ScotRail publicly owned. Mr Yousaf had said: “Bringing Scotrail and Sleeper Services into public hands was as much about energy as it is about building a safe, reliable, and accessible public transport system then. It is the belief of the SNP that a successful just transition relies, in part, on the public ownership of our rail. For that reason alone, I will commit categorically to keep Scotrail and Sleeper Services in public ownership.” This is welcome. However, unions also want to see cuts to services reversed, no closure of ticket offices and improved and adequate staffing levels, all of which will help improve passenger confidence and numbers and help meet climate targets.²³

UNISON promoted 2022 as the Year of the Disabled Worker and our disabled members highlighted how the cuts to staffing on rail and the removal of staffing at stations further limits their access to work and leisure.

Our response to the forthcoming Transport Just Transition Plan will refer also to good work done by organisations like Get Glasgow Moving²⁴, as well as the STUC’s Our Climate, Our Buses Campaign²⁵ and the new report from Friends of the Earth Scotland, ‘On the Move: Investing in public transport to meet carbon targets and create jobs’.²⁶

The ESJTP confirmed again that the Scottish Government will not be proceeding with a publicly owned energy company, despite the fact this was once Scottish Government policy, as well as Scottish Green Party policy and supported by a vote

²² <https://apnews.com/article/germany-public-transit-cheap-ticket-trains-metro-3d83f1a35ab8e3945b8034b9bd511c29>

²³ <https://www.rmt.org.uk/news/rmt-calls-on-scottish-first-minister-to-keep-scotrail/>

²⁴ <https://www.getglasgowmoving.org/>

²⁵ https://stuc.org.uk/files/campaigns/Buses/Our-Buses_briefing.pdf

²⁶ <https://foe.scot/wp-content/uploads/2023/04/On-the-Move-Report.pdf>

at the September 2021 SNP conference. It is claimed that a company involved in major energy generation would only be possible in an independent Scotland, but Wales is proceeding with an energy company and the idea was supported by the first Scottish Just Transition Commission, who called in March 2021 for the Scottish Government to deliver on their (then) promise “at pace” and with a broad remit. The STUC strongly supports a public energy company which is involved in generation.

The think tank Commonweal said that failure to create a state-owned Scottish energy company that could have been involved in developing and deploying new offshore wind farms was “arguably the greatest economic failure of the last decade”.²⁷ The Herald reported in January 2022 that such a company could have sold the new ScotWind electricity to the grid and retained operating profits, with concerns that the failure would cost Scotland between £3.5 billion and £5.5 billion every year - about a tenth of the Scottish budget. Humza Yousaf discussed, in his SNP leadership election campaign, the idea of the Government seeking an equity stake in the ScotWind process. A somewhat overdue recognition of the failures to date. It is instructive also to look at the TUC’s September 2022 report²⁸ ‘Public ownership of clean power: lower bills, climate action, decent jobs’. It found that: “If the UK today had a public energy champion similar to EDF in France, EnBW in Baden-Württemberg (Germany), or Vattenfall in Sweden, a significant portion of the excess profits taken by privatised electricity generators due to soaring wholesale prices would be coming instead to the government. Government would be able to use these revenues - equivalent to £2,250-£4,400 per UK household - to cut bills or accelerate home insulation roll-out.”

We urge the Scottish Government to think again and set up a publicly owned energy company. It could work with local authorities, and they could also establish their own local municipal energy companies and encourage and support community energy. All could help reduce energy bills, tackle fuel poverty and contribute to local economies. For example, municipal and community energy could supply also to councils and other public bodies as well as households, and ideally would provide guarantees bills would remain below the level of what they are replacing, and much lower once construction costs are paid off. Local government pension funds could be encouraged to invest, switching from fossil fuels to investing in renewables. Municipal energy companies could also invest in district heating schemes.

As part of the above energy company plans, nationally and locally, massive energy efficiency retrofit programmes delivered by in-house council teams could help provide warm homes, fitted to high EPC C standards, and cut fuel poverty. The STUC’s Our Climate: Our Homes campaign and report showed how this could be done.²⁹ We welcome the Scottish Government agreeing to adopt the principles proposed in Alex Rowley MSP’s Passivhaus member’s bill.

Demand reduction is not covered to the extent it should be in the ESJTP and the final version should include detailed proposals. We note in the finance section near the end of this response that UNISON is opposed to PFI/PPP and related schemes

²⁷ <https://www.heraldscotland.com/news/homenews/19868171.scotwind-scotland-set-lose-billions-windfarm-profits/>

²⁸ https://www.tuc.org.uk/sites/default/files/2022-09/TUC_public%20energy%20generation_Sept2022.pdf

²⁹ https://stuc.org.uk/files/campaigns/Homes/Our-Homes_briefing.pdf
<https://stuc.org.uk/media-centre/news/1622/stuc-launches-campaign-to-upgrade-scotland-s-homes>

including so called NPD ones. We would be against any use of this kind of expensive funding for energy efficiency schemes and the new agency Heat and Energy Efficiency Scotland should be banned from using this kind of financing. We note that Jubilee Scotland³⁰ is working with many other organisations, campaigning to abolish PPPs. As long-standing opponents of PPP/PFI, we support this. An important point they make on energy efficiency is that too many PPP contractors have not been interested in old buildings being repaired and repurposed, yet that may be the best and most sustainable solution for the climate.³¹ We need proper public funding not profiteering yet again, which is a lose, lose option for taxpayers and planet.

Public services, including health and education, have been ripped off by PFI/PPPs, and councils are still paying off massively expensive PPP debts. In going forward with decarbonising public services as fast as is feasible, PPPs should have no role.

Public services decarbonisation does need massive investment. UNISON commissioned a report on the costs of getting UK public services to net-zero which found it will need over £140 billion of government funding up to 2035.³² Without significant and immediate government funding, public services that are still reeling from a decade of austerity will struggle to decarbonise. The sooner we begin, the sooner we make savings and lower costs.

General Secretary Christina McAnea said: Public services play a vital role in helping to implement and coordinate paths for decarbonisation. They should be at the centre of efforts to secure greener outcomes nationally and locally, in our workplaces and communities. In terms of public service delivery, hospitals, schools and colleges, care homes and services, local government buildings, leisure centres, police and courts, social and community housing, water, transport and environment services will all need to decarbonise. As our report shows, it is now a perfect opportunity to put in place government action plans with procurement and commissioning mechanisms to enable public services to meet their statutory binding obligations.”

The UK Government must commit funds to bring forward action and we would propose it and the Scottish Government should, in assessing the funds required, establish large scale public sector climate action accelerator funds for public bodies to deliver on specified targets this decade. These could initially be starter funds to pump prime ideas and trials, with further funding following to support positive ideas and successful trials. Good practice should be shared, with action tied also into apprenticeships and upskilling/training, for example on installation of heat pumps, maintenance of electric vehicles and similar technologies.

In Scotland, public bodies have climate change duties and report on these annually. The analysis of 2021/22 reports has just been published by Sustainable Scotland Network.³³ It has a range of useful information, although some figures such as emissions, still reflect pandemic impact and changes. There is information on home/hybrid working emissions. Changing work patterns, including working from

³⁰ <https://www.jubileescotland.org.uk/campaigns/exposing-private-financing-in-scotland/>

³¹ <https://www.jubileescotland.org.uk/ppps-hampering-net-zero-ambitions/>

³² <https://www.unison.org.uk/news/article/2022/06/this-union-is-a-green-union-unison-commits-to-decarbonise-public-services/>

³³

https://sustainablesotlandnetwork.org/uploads/store/mediaupload/2141/file/SSN_AnalysisReport_21-22.pdf

home, is something that Just Transition planning will need to look at, including workers' perspectives on their preferences about different kinds of working. Of course, many jobs are not suitable for home working, and many workers may not have suitable space and facilities, while heating costs particularly at present, could impact many. One thing the analysis report shows is that there is a considerable work to be done on adaptation, including awareness of what it is compared to mitigation. This reflects last month's Audit Scotland report which was critical of the Scottish Government in general³⁴, but in particular on adaptation.³⁵ It found, shockingly, that: "Up until December 2022, the Corporate Risk Register did not include a specific, overarching risk relating to the need to adapt to the impacts of climate change (although reference to these impacts were included as a consequence of the failure of global efforts to reduce emissions). The lack of a specific adaptation risk, with actions to address it, means that this critical issue was much less likely to be considered at an executive level than net zero targets."

The ESJTP has draft Just Transition outcomes for the energy sector including on adaptation, which looks at ensuring reduced vulnerability of power assets and power systems to storms, heatwaves and flooding and that the most vulnerable people are identified and supported during and after power failures.

The SSN analysis said that only 66% of the 188 public bodies completed some form of adaptation risk assessment. It found: "The level of risk assessment varies with the majority being limited to a single issue, e.g., flooding, rather than assessing risks across a range of potential climate impacts. The NHS is the only sector where the majority of bodies (70%) have conducted a comprehensive or advanced risk assessment."

It is clear there is much to be done and the public sector should be leading by example. Trade unions have long argued for negotiated green workplace agreements and that green/environment reps should have statutory facility time in the way health and safety reps do. As we continue to argue for that at UK level, the Scottish Government should put effect to some of the welcome warm words on working with trade unions. The draft ESJTP says on p91 that trade unions and workers "will be at the heart of everything we do as we work on our Just Transition Plans." A key simple but vital action ministers could take would be to strongly urge employers to voluntarily grant facility time to green/environment trade union reps, ensuring they have similar rights to health and safety reps, making this part of Fair Work policies and practices and undertakings.

UNISON and the STUC have been pleased to have worked in the last two years with Adaptation Scotland, developing extremely useful resources on Climate Hazards and Resilience in the Workplace.³⁶ The workbook and handbook are the kinds of tools that green/environment reps and health and safety reps will use to work with employers on tackling these essential adaptation priorities. We welcome also Scottish Government funding to support just transition capacity. However, unions are working with one hand tied behind their back if reps are not given sufficient time to do this work. It should be a win win for employers and workers and for mitigation and adaptation policies. We urge a fast response on supporting this request.

³⁴ <https://www.bbc.co.uk/news/uk-scotland-65323458>

³⁵ <https://www.audit-scotland.gov.uk/news/government-must-improve-climate-set-up>

³⁶ <https://www.adaptationscotland.org.uk/how-adapt/tools-and-resources/climate-risks-workplace-protecting-workers-changing-climate>

Hydrogen

UNISON has campaigned for some years for the gas network to be converted to hydrogen as part of a major programme. Some details are here³⁷ and in our 2019 report *Power to the People*.³⁸ It mainly argued that the retail arms of the big six energy companies should be nationalised, creating “a new ‘green army’ of workers dedicated to helping businesses and the public become more energy efficient, cut their bills and save the planet.”

However, using hydrogen in gas boilers and converting the network required earlier decisions than are being taken by the UK Government and sufficient funding to deliver it urgently. The timescale for support for the proposal is ever shorter and pilots are still to be run and assessed. We note that the draft ESJTP says: “We do not consider that hydrogen will play a central role in the overall decarbonisation of domestic heat and therefore we cannot afford to delay action to decarbonise homes this decade through other available technologies. The potential for hydrogen to play a role in heating buildings depends upon strategic decisions by the UK Government that will be made over the coming years. The Scottish Government will continue to urge the UK Government to accelerate decision-making on the role of hydrogen in the gas grid.”

In the circumstances we agree with this pragmatic decision and note that the Just Transition Commission said in the letter to Cabinet Secretaries: “The Commission welcomes the decision not to use hydrogen for domestic heating.” We also note that the Commission highlights risks on other hydrogen uses in the draft strategy, including that half of projected new jobs are associated with hydrogen, which in turn are heavily depending on its export market. JTC Chair Professor Jim Skea, in his evidence³⁹ to the Economy and Fair Work Committee for its inquiry into a Just Transition for the Grangemouth area, said in April that a Plan B must be in place in case the projections for hydrogen in the draft ESJTP are not realised. He said: “One of the challenges with things such as hydrogen and Carbon Capture and Storage projects is that they are big bets with big pay-offs...We need to understand better the risks that are associated with such projects and what the consequences will be of not being able to take them forward.”

We agree with the SCCS response to the consultation, which says that “considering these risks and potential disadvantages, SCCS considers that the draft strategy places too high a reliance on the use of hydrogen and the targets/uses should be further scaled back, and/or subject to significant conditions.” Conditions could include “demonstrating any Carbon Capture Utilisation and Storage reliance is achievable, clarity that it does not create ongoing reliance on (and thus risk the phase out of) fossil gas, and that it represents the most efficient use of renewable energy resources. We have always supported calls for investment in research into CCS technologies and pilots to test their real life application. But we also agree with the SCCS response on these, arguing that the strategy requires a Plan B in case they do

³⁷ <https://www.unison.org.uk/news/press-release/2018/11/government-must-give-bold-hydrogen-scheme-go-ahead-says-unison/>

³⁸ <https://www.unison.org.uk/news/2019/06/nationalise-big-six-create-green-army-help-uk-hit-net-zero-says-unison/>
<https://www.unison.org.uk/content/uploads/2019/06/UNISONEnergypublicownershipreport0619.pdf>

³⁹ <https://www.parliament.scot/chamber-and-committees/official-report/search-what-was-said-in-parliament/meeting-of-parliament-19-04-2023?meeting=15252&iob=130107>

not deliver. As UNISON said in our response to the Scottish Government 2017 Energy Strategy consultation: “We agree that hydrogen has significant potential, but we should be wary of relying on potential technologies in energy planning until they have proven viability.”⁴⁰

4. Planning a truly just transition

It is shocking that ministers failed to properly consult⁴¹ with their own Just Transition Commission as the draft was developed. The JTC published a strong letter of criticism in January and then detailed advice to Cabinet Secretaries last month.⁴² As Labour MSP Richard Leonard said of their advice, speaking in the 20 April Scottish Parliament debate on Climate Change and Just Transition: “We can hear their growing impatience and rising exasperation that, four years on from the government declaring a climate emergency, they are still having to ask ‘how existing constraints to financing, skills and workforce capacity can be addressed’. No wonder their patience is running out.”⁴³

This is the Scottish Government’s first Just Transition Plan. We want to be positive about the ambition and intention, but given the key components that are missed out, workers and communities across Scotland deserved far better, particularly given the urgency of the climate crisis and the delays to publishing the draft. We hope major improvements will be made following the consultation, including addressing the strong criticisms by the Just Transition Partnership, in its review of the consultation.⁴⁴ It says: “...there is no assessment of the obstacles to achieving the strategy’s objectives. In reality, Scotland has regularly missed its climate change targets and has conspicuously failed to create significant new jobs supplying the development of renewable energy generation.

“In contrast the document appears to reside in a problem-free world in which the statement of government objectives will translate into their achievement - the privately-owned energy system will become committed to public objectives which it has until now ignored. The relatively small amounts of public spending detailed in the document will, it appears to assume, be enough of a carrot not to need any sticks – let alone any shift towards public ownership to drive forwards to outcomes which are too important to be left to decisions of profit-seeking investors in a free market.”

We agree with much of the advice in the JTC letter to Cabinet Secretaries but it is deeply concerning that some of the things they are having to spell out require to be spelled out. It is not rocket science that at this stage ambitious targets must be backed up by detailed and specific plans. It is also concerning, and shows arrogance, that the Scottish Government praised the draft ESJTP in the April parliamentary debate referred to above, when there has been such strong criticism from the Just Transition

⁴⁰ https://unison-scotland.org/wp-content/uploads/unison_response_energy_consultation.pdf

⁴¹ <https://www.heraldscotland.com/politics/23244671.snps-just-transition-chief-not-consulted-oil-gas-strategy/>

⁴² <https://www.gov.scot/publications/just-transition-commission-letter-to-cabinet-secretaries-14-april-2023/>

⁴³ https://www.parliament.scot/chamber-and-committees/official-report/search-what-was-said-in-parliament/meeting-of-parliament-20-04-2023?meeting=15249&iob=130103#orscontributions_M16190E445P781C2484568

⁴⁴ <https://www.jtp.scot/wp/wp-content/uploads/2023/05/JTP-ESJTP-consultation-response-guide.pdf>

See also <https://www.jtp.scot/policy/just-transition-for-the-grangemouth-area-jtp-submission/>

Commission. In the circumstances, it is good the points have been made, and publicly. We hope the Scottish Government takes on board their assessments and warnings. Some of the key points well made include the comments on justice and fair work, the need to deliver on just transition principles “including the equitable sharing of costs and benefits, fair work as a strategic objective, and careful strategic use of public finance and procurement mechanisms to create true and lasting value for workers, citizens and communities.”

We welcome the JTC comment, under finance, that it is essential to incorporate just transition thinking in “how we assess the relative value being created by investment and procurement decisions. A purely commercial approach risks undervaluing critical long-term gains on job creation, public infrastructure and fairness that go beyond short-term commercial returns.” And we welcome the actions in the ‘Fairness’ section, summarised by the point in par 23, “Embedding fair work effectively is essential to achieving a well-being economy.”

5. Funding the transition - spending priorities and political choices

We believe that the above policies and approaches, along with proposals in the SCCS and JTP responses, are key to how we deliver the necessary just transition. They are also do-able with the political will. There were some really important lessons from the pandemic which are applicable to tackling climate change. These include that collective action for the common good can necessitate massive public investment and behaviour change – which can all be achieved at speed when the stakes are high. This is most effective when inequalities are properly addressed in all public policy responses. And we recognise that public ownership and control is essential, including action to stop corporate and individual profiteering from crisis situations.

We urge the Scottish Government to do all within its powers and financial capacities to invest heavily in priorities of democratic public energy and transport, community and municipal energy, to deliver on pledges on fair work and support for manufacture and supply chains to deliver new quality jobs, skills training, workforce planning and more.

While UNISON supports further devolution of powers to the Scottish Parliament and for additional funds to be provided by the UK government, there are many ways in which funds can be raised for this using the Scottish Government’s powers. A good number can be found in reports from ourselves⁴⁵, from the STUC⁴⁶ and SCCS⁴⁷, with many overlapping suggestions. It was welcome that Humza Yousaf praised the STUC report during his leadership campaign at a hustings organised by the SNP Trade Union Group. He then said at STUC Congress that he will look closely at the taxation proposals on increasing taxes on the wealthy, saying there is scope for the Scottish Government to go further than to date.⁴⁸

⁴⁵ <https://unison-scotland.org/wp-content/uploads/UNISON-response-Pre-Budget-Scrutiny-Finance-Cttee-FINAL-Aug-22.pdf> <https://www.scottishleftreview.scot/holyrood-can-change-things/>

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https://stuc.org.uk/files/Reports/Scotland_Demands_Better_Fairer_Taxes_for_a_Fairer_%20Future.pdf

⁴⁷ https://www.stopclimatechaos.scot/wp-content/uploads/2022/09/FinancingClimateJustice_Report_ONLINE.pdf

⁴⁸ <https://www.thenational.scot/news/23461149.first-minister-hints-hike-taxes-wealthiest-scotland/>

Ultimately, these decisions must be based on the science which tells us we must end the fossil fuel era, and on political choices about whether you support people and planet over profit. We argue they require transformational change, to a well-being economy, a circular economy and one in which public ownership is a major plank of an energy strategy and industrial strategy that prioritise a just transition.

Conclusion

It is time for government at UK, Scottish and local authority level to step up and commit to ensuring everything possible is done to meet the Paris Agreement 1.5C goal – to do ‘everything, everywhere, all at once’, as UN Secretary General Antonio Guterres said in March. That is an incredibly tough challenge when public service budgets have been squeezed to breaking point. But the money invested now on climate action and planning for climate impacts will be less than what is needed if we wait and have to deal with disastrous impacts we have not planned for.

Richard Leonard said in the Scottish Parliament debate referred to earlier that it is important that the Scottish Government does not pander to the Jim Ratcliffes of this world, pointing out that the INEOS boss “as well as still wanting to frack across the central belt of Scotland, now wants to build a nuclear reactor right in the middle of Grangemouth.” We welcome the draft strategy’s opposition to fracking and nuclear power and we urge governments to take every opportunity to expand public ownership of energy and scale up renewables while phasing out fossil fuels urgently. It is important to recognise that those lobbying in favour of continued development of fossil fuels do not have the interests of workers or communities at heart. The interests of workers and communities lie in tackling climate change at warp speed!

Energy strategy and just transition work must be part of an integrated industrial strategy, with major upskilling and retraining programmes. Our members and those in other unions want to work with employers on just transition and climate action and adaptation in the workplace. We need support on facility time for this and for unions to be involved in all just transition planning. The transition can only be truly just, particularly for all those communities impacted by our climate damage, if it is also much faster.

UNISON Scotland, May 2023

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