



# **Scottish Spending Review 2011 and Draft Budget 2012-13**

## **Response to the Call for Views from the Scottish Parliament Rural Affairs, Climate Change and Environment Committee**

**The UNISON Scotland Submission to the Scottish  
Parliament's Rural Affairs, Climate Change and  
Environment Committee**

**October 2011**

## **Introduction**

UNISON Scotland welcomes the opportunity to respond to the call for evidence from the Rural Affairs, Climate Change and Environment Committee regarding the Scottish Spending Review and Draft Budget 2012-13. UNISON has more than 160,000 members, the vast majority of whom work in the public and voluntary sectors. UNISON is part of the Stop Climate Chaos Scotland (SCCS) coalition.

## **Climate Change**

This submission will look mainly at the climate change aspect of the Committee's remit. We also support the SCCS submission to this Committee's Call for Views<sup>1</sup>.

Last month UNISON Scotland submitted evidence<sup>2</sup> to the Scottish Parliament Finance Committee in relation to scrutiny of the Spending Review and Draft Budget 2012-13<sup>3</sup>. As members know, the Finance Committee was focusing on preventative spending. UNISON also supported SCCS's evidence<sup>4</sup> to the Finance Committee, which stressed that tackling climate change is one of the most important pieces of preventative spending that Scotland – and the rest of the world - must make. Although the Spending Review does acknowledge this fact, it fails to deliver on climate change.

We wrote in August to the Cabinet Secretary for Finance, Employment and Sustainable Growth John Swinney, Climate Change Minister Stewart Stevenson, and to other Ministers, urging them to fully fund the measures set out in Low Carbon Scotland: The Report on Proposals and Policies<sup>5</sup> (the RPP). Without this essential funding commitment, Scotland is very unlikely to meet the next 12 annual emissions reduction targets.

We were disappointed when the Spending Review and Draft Budget was published, to see that Ministers had chosen not to fund even their own RPP measures to reduce emissions. In particular, public transport spending is being cut and there is totally insufficient investment in cycling and walking (both of which improve physical and mental health). The SCCS submission to this Committee quantifies the shortfall against the RPP requirements. SCCS makes the point that the focus on road-building, as well as undermining the world-leading ambitions of Scotland's climate change legislation, also undermines the Scottish Government's aim in its Public Engagement Strategy of getting people to reduce their own carbon footprints. It is unreasonable to focus public funds in carbon-intensive areas while asking people across Scotland to do the opposite and make changes in their own lives to help reduce emissions.

We would ask the Committee to make the strongest possible representations to the Finance Committee that the RPP measures should be funded in full to ensure Scotland meets the targets in the Climate Change (Scotland) Act 2009. The Act was passed unanimously by the Parliament, and politicians of all parties have professed commitment to the targets. Now it is time to ensure the policies to deliver on the targets will be funded.

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<sup>1</sup> [www.stopclimatechaos.org/sccs-budget-evidence-racce-Oct11-final.pdf](http://www.stopclimatechaos.org/sccs-budget-evidence-racce-Oct11-final.pdf)

<sup>2</sup> [www.unison-scotland.org.uk/response/preventative%20spendingresponseSept11.pdf](http://www.unison-scotland.org.uk/response/preventative%20spendingresponseSept11.pdf)

<sup>3</sup> [www.scotland.gov.uk/Resource/Doc/358356/0121130.pdf](http://www.scotland.gov.uk/Resource/Doc/358356/0121130.pdf)

<sup>4</sup> [www.stopclimatechaos.org/financecommittee-sept2011.pdf](http://www.stopclimatechaos.org/financecommittee-sept2011.pdf)

<sup>5</sup> <http://scotland.gov.uk/Resource/Doc/346760/0115345.pdf>

Stewart Stevenson told an earlier meeting of the Committee that “every minister must be a climate change minister”<sup>6</sup>. UNISON strongly agrees with that, but the RACCE Committee members have a critical responsibility to the Parliament in reminding ministers of their climate change responsibilities on behalf of us all.

As a minimum, these responsibilities must include fully funding the RPP.

UNISON Scotland would also urge Committee members to ensure that proper funding and resources are allocated to support the implementation and monitoring of the public bodies climate change duties, which are key to the public sector leading by example.

### **Climate change spending benefits other policy priorities**

Spending on climate change mitigation now can have significant future knock-on social and economic benefits, including thousands of new jobs in energy efficiency, health savings from reduced obesity, improved mental health and reduced respiratory disease, and social inclusion gains from reductions in fuel poverty.

We believe that effective scrutiny of the Spending Review and Draft Budget should also be based around what the Scottish Government plans will do to reduce poverty and inequality and to reduce the harm they do while they continue to exist. Efforts to tackle climate change, not just in Scotland but internationally, fit well with this as a priority,

### **Taxation**

As Committee members would expect, UNISON has a vision for a better society and a better way<sup>7</sup> to achieve the kind of society we want, one which prioritises tackling poverty and inequality. Raising more money is essential and the wealthy need to pay their fair share. Taxing the super rich makes society fairer by both providing resources to pay for services and by reducing the wealth inequalities that cause so much harm. While many of the tax levers remain outwith the Scottish Government’s control, ministers still have the power to act.

The Scottish Government needs to bring forward plans for a fairer tax for local government. UNISON believes a property-based tax is the best way to fund local services. We also note that there is little evidence that cutting taxes on business creates new jobs. If there is a link, it is marginal and there are more cost effective ways of using the same money to create more jobs. Most of the savings are likely to go into big company profits and shareholders pockets. The Scottish Government needs to find ways of getting more money rather than tax cuts.

### **Raising Families’ Income / Fuel savings / Just Transition/Green Workplace**

Increasing the income of the bottom end of the income scale is essential if we are to reduce inequality. An area of committee scrutiny should be how government plans will create jobs, such as in energy efficiency schemes, how to maximise the number of jobs from investment in tackling climate change, and whether these jobs will pay a living wage. The RPP said that there are ‘significant opportunities

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<sup>6</sup> <http://www.scottish.parliament.uk/s4/committees/rae/or-11/rull-0202.htm>

<sup>7</sup> <http://thereisabetterway.org/>

associated with the transition to a low carbon economy' including: the potential for low carbon activity to grow to 10% of the Scottish economy by 2015; 130,000 jobs in the low carbon sector by 2020; savings for consumers totalling £8.5 billion in their fuel bills by 2050; and £464 million efficiency savings for farmers by 2022. The Scottish Government should ensure that the living wage of £7.20 should be the minimum across the public sector and use procurement rules to spread this to the private and voluntary sectors.

We look forward to further progress on the 2009 STUC/Scottish Government Climate Change Communiqué<sup>8</sup> in this Session, noting that the Government has established a new strategic priority – Transition to a Low Carbon Economy. The Communiqué stressed the importance of greening the workplace and how worker involvement is the key to culture change. We urge the Committee to support the principles of 'Just Transition', ensuring that the costs and benefits of the transition are shared fairly across society, and to promote negotiated green workplace agreements with recognised trade unions as an integral part of climate change action and an important contribution to budgetary efficiency.

### **Renewables/Energy**

UNISON strongly supports investment and support for renewable energy, but believes in a balanced energy mix and has concerns about how realistic the ambitious target of achieving the equivalent of all Scotland's energy needs from renewables by 2020 can be. We condemn the UK Coalition Government's appalling failure to back the planned Carbon Capture and Storage (CCS) project at Longannet – a decision that is disastrous for Scottish energy strategy.

### **Conclusion**

The Scottish Spending Review 2011 and Draft Budget 2012-13 acknowledges (p23) that it will cost far less to take action now on global warming than to respond to its effects. This was the message of the Stern Review. However, we do not believe that the Scottish Government is promising sufficient action or investment now. In the case of transport priorities, it is going in the wrong direction altogether. It is essential that the RPP is fully funded if Scotland is to deliver on its ambitious world leading legislation and to help protect the planet for future generations.

### **Contacts:**

Dave Watson [d.watson@unison.co.uk](mailto:d.watson@unison.co.uk)

Kay Sillars [k.sillars@unison.co.uk](mailto:k.sillars@unison.co.uk)

Fiona Montgomery [f.montgomery@unison.co.uk](mailto:f.montgomery@unison.co.uk)

**Mike J Kirby**

**Scottish Secretary**

UNISON Scotland

UNISON House

14, West Campbell Street,

Glasgow G2 6RX

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<sup>8</sup> [www.stuc.org.uk/news/643/stuc-and-scottish-government-issue-joint-communiqué-on-climate-change](http://www.stuc.org.uk/news/643/stuc-and-scottish-government-issue-joint-communiqué-on-climate-change)