

Investing in Scotland's Green Economy (Scottish Government debate) Wednesday 24 January 2024

About us

The Scottish Women's Budget Group (SWBG) is an independent analysis and campaign group that aims to promote gender analysis in public policy and public finance decisions through budgetary processes. SWBG brings together a wide range of women from across Scotland who have an interest in women's equality and want to achieve better gender equality in our society. We have focused on encouraging active gender analysis in the Scottish Budget process since 2000.

Introduction

This briefing is for Members of the Scottish Parliament (MSPs) in preparation for the debate on investing in Scotland's green economy.

Key points to consider

- The current economic system, priortising profit and economic growth at the expense of nature and human labour, has produced intersecting crises of climate and inequality.
- Women and other marginalised groups are disproportionately impacted and vulnerable to these crises as they are more likely to be in poverty and have reduced resilience to climate change.
- Scotland's economy must be redesigned to reduce carbon emissions. Physical and social infrastructure projects will play a key role in achieving this objective.
- Care, as social infrastructure, must be at the core of Scotland's green economy. A green and caring economy would prioritise quality public services and amenities, flourishing green spaces, less labour-intensive work, and wasteful production.
- By putting care and wellbeing at the core of Scotland's green economy, the Scottish Government would tackle the inequalities created by the current economic system.

The role of physical and social infrastructure

Physical infrastructure has so far been prioritised in our economy as a means of expanding profit and growth. However, much of our current physical infrastructure is carbon-intensive. The role of public banking and public investment will be crucial to achieve decarbonisation (Women's Budget Group, 2022). Low-carbon activities can be prioritised in sectors such as renewable energy and public transport (Women's Budget Group, 2022). Other industries such as fossil fuels will also need to be phased out with a fair and sustainable Just Transition. However, by placing the focus on physical infrastructure transitions, with for example the creation of new green jobs in the construction and energy sectors, there is a risk of perpetuating existing inequalities with gender segregated roles and

under-representation of women in these current carbon-intensive industries (Brett and Macfarlane, 2022). Sectors that are already low carbon need to receive more recognition, particularly in relation to the role that they can play in developing Scotland's green economy. This means looking at how we develop our social infrastructure.

Social infrastructure comprises many activities in different sectors such as care and the arts and sports and should be given at least the same weight as physical infrastructure when looking at investing in Scotland's green economy. Social infrastructure jobs are already low carbon in nature. Investing in these jobs would contribute to Scotland's green economy. SWBG, alongside other women's organisations, have drawn attention to the potential that investing in social infrastructure sectors such as care has in meeting greenhouse gas emissions targets and in creating employment and revenue through taxation (Women's Budget Group, 2022). The Women's Budget Group found that investment in the care sector has the potential to create 2.7 times as many jobs as the same or similar investment in construction as well as producing 30% less greenhouse gas emissions (Women's Budget Group, 2020). In Scotland, transformative investment in adult social care support would create a return on investment in terms of additional direct and indirect tax revenues that could yield an estimated £1.5bn annually (Scottish Women's Budget Group, 2023).

Alongside care, health and education must be central. For too long, these sectors have lacked value and investment despite the life-saving nature of these services especially during Covid-19 (Brett and Macfarlane, 2022). This lack of recognition is often in part due to gender bias with their largely female workforce. Investment into these sectors to improve job creation and retention can resolve current crises and address inequality by ensuring universal access to these services (Women's Budget Group, 2022). Further investment can also end precarious working conditions many women and other marginalised groups face in these sectors, especially for care.

The overall benefits of this increased investment and value are therefore three-fold: addressing gender equality, especially in the labour market, creating quality public services for all, and contributing to a low carbon economy.

What are we calling for?

- **Reorientate the economy** to put wellbeing before profit, changing ownership models to democratize natural resources, transform how we raise and spend money, and support a global green and caring economy.
- Address gender occupational segregation and gender inequality in new green jobs and lowcarbon intensive sectors.
- **Transformative investment** in adult social care support by increasing access to free care to those with moderate needs and increasing qualifications and pay to Nordic levels with care workers paid an average £15.21ph (Scottish Women's Budget Group, 2023).
- Progressive taxation, for example on wealth and energy windfalls, needed for a green and caring economy.
- **Build a childcare system** that works for everyone to improve accessibility, affordability, flexibility and quality with greater job security and higher wages.

References

Brett, M and Macfarlane, L. 2022. *Women, Work and Wealth in Scotland's changing economy 2022.* Scottish Women's Budget Group. Last accessed 23/01/24: <u>Women-Work-Wealth-in-a-changing-economy-report.pdf</u> (swbg.org.uk)

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