



The Scottish Parliament  
Pàrlamaid na h-Alba

## TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE

### AGENDA

22nd Meeting, 2009 (Session 3)

Tuesday 6 October 2009

The Committee will meet at 2.00 pm in Committee Room 6.

1. **Climate change - impact on employment and workplaces:** The Committee will take evidence from—

Stephen Boyd, Assistant Secretary, STUC;

Anne Douglas, National Secretary, and Paul Noon, General Secretary, Prospect;

Harry Cunningham, TUC Regional Education Officer, Scotland, TUC.

*Not before 3:30 pm*

2. **Draft Budget Scrutiny 2010-11:** The Committee will take evidence on the Scottish Government's Draft Budget 2010-11 from—

Charles Hoskins, Director of Projects, Strathclyde Partnership for Transport;

Councillor Steven Purcell, Leader of Glasgow City Council, Glasgow City Council;

Bob Darracott, Director of Planning and Transport, Renfrewshire Council.

Steve Farrell  
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The papers for this meeting are as follows—

**Agenda item 1**

Written evidence from STUC

[TIC/S3/09/22/1](#)

Private paper

TIC/S3/09/22/2 (P)

**Agenda item 2**

Written evidence from the Cabinet Secretary for Finance and Sustainable Growth

[TIC/S3/09/22/3](#)

Private paper

TIC/S3/09/22/4 (P)

WRITTEN EVIDENCE FROM STUC – 1 OCTOBER 2009**“Trade Unions and Climate Change”****STUC discussion paper in advance of roundtable session with the Transport, Infrastructure and Climate Change Committee on 6 October 2009****1 Introduction**

The STUC welcomed the opportunity to contribute to the Transport, Infrastructure and Climate Change Committee’s scrutiny of the Climate Change (Scotland) Bill. The STUC continues to regard this as an important piece of legislation; one that will have profound implications for the 655,000 trade union members in Scotland. Therefore the STUC appreciates this further opportunity, during Scottish Parliament Trade Union week 2009, to discuss the trade union response to climate change with the Committee.

The STUC concurs with the widely held view that climate change will be humanity’s greatest challenge in the 21<sup>st</sup> century. The Trade Union Sustainable Development Committee (TUSDAC<sup>1</sup> – a joint TUC/DEFRA body) offers a cogent explanation of why environmental issues have assumed real importance for the trade union movement:

*“Sustainability’ is not something we put in a separate box marked ‘green’. It is a core trade union and workplace issue. It directly impacts on jobs, in numbers, types, skills and locations. The employment and training implications of the transition to a low carbon economy are profound, as is the need to manage the changes fairly – through the so-called ‘just transition’”.*

The STUC believes that the current global economic crisis provides an opportunity to build a new economic and social model that better protects the interests of both workers and the environment and distributes the proceeds of sustainable economic growth far more equitably than has hitherto been the case.

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<sup>1</sup> <http://www.defra.gov.uk/environment/tusdac/>

## 2 Greening the Economy, Employment and Sustainable Growth

*"It's too bad green jobs don't mean a damn thing to working people. It's a shame because they should".*

*What is a green job?*

The above statement was made by a union official at a meeting of US labour and environmental leaders during the 2007 climate talks in Bali. His point was that green jobs tend to be associated with emerging renewable energy sectors – wind, marine, solar – and defined as something new, different and estranged from the lives of most people<sup>2</sup>. Happily, further discussion revealed greater mutual understanding of what constitutes a green job and, as a result, the US unions returned with a mission to:

1. Broaden the definition of green jobs; and,
2. Work to ensure that green jobs are good jobs.

The STUC has argued for some time that a blunt distinction between 'green jobs' and 'other jobs' is unhelpful in building the coalition of interests necessary to meet stretching emissions targets. The concept of green jobs should be expanded to cover areas such as:

- Sectors not usually associated with green jobs but vital to the sustainability of the economy i.e. the water industry;
- All jobs which are improved, enhanced, changed with environmental improvement in mind;
- Work sustainability - Green jobs should be sustainable for the person performing the task i.e. extra bins are introduced to facilitate recycling – does anyone consider the impact on the cleaner or janitor who now has to empty twice as many bins?

*Net jobs impact in Scotland?*

Employment will be affected in at least four ways as the economy is orientated toward greater sustainability:

1. New jobs will be created, such as in the design, development, manufacture, deployment and maintenance of renewable energy technologies. Of course, the STUC has long argued that maximising the economic and employment benefits of emerging technologies should be regarded as a key aim of public policy – on a par with meeting renewable/CC Bill targets;

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<sup>2</sup> Standing at the Crossroads: green jobs for a blue economy, Bob Baugh, executive director of the AFL-CIO Industrial Union Council. Included in Working on Change: the trade union movement and climate change.

2. Some employment will be substituted, such as shifting from fossil fuels to renewables, or from landfilling and waste incineration to recycling;
3. Some jobs are likely to be eliminated without direct replacement, for example, when packaging materials are discouraged or banned and their production is discontinued; and,
4. Many existing jobs such as plumbers, electricians, metal workers and construction workers will simply be transformed and redefined as day-to-day skill sets, work methods and profiles are greened.

As discussed in earlier evidence to the Committee, the STUC believes that the net job impact in Scotland can be positive. However, we do not believe that this outcome will be attained simply through setting targets and leaving it to the market to deliver. The closing of the VESTAS facility on the Isle of Wight this summer should act as a salutary lesson to policymakers in this regard. Despite the stretching targets already in place for renewable generation, there is now no major turbine manufacturing facility left in the rest of the UK and only one of any scale in Scotland.

The STUC remains concerned at the lack of research undertaken to accompany the Climate Change Bill. We believe there is much that can be done to a) identify potential adverse impacts (sectoral and/or regional) and b) plan to mitigate the impact on individuals and communities. The Committee may be interested in the communiqué signed between the STUC and Scottish Government in May 2009 which commits the Scottish Government to undertake further research in this regard (attached at Annex A).

### 3 The Changing Scottish Workplace

Whether or not the net jobs impact in Scotland is positive or negative, there can be no doubt that peoples' experience of work will change dramatically over the coming decades. This change will be reflected in:

- travel to work patterns,
- the workplace environment,
- increasing pressure to homework,
- equipment and clothing requirements,
- new health and safety issues linked to extreme weather events,

The STUC is concerned that Government and employers are not yet planning effectively for climate change adaptation. A recent TUC report, *Changing Work in a Changing Climate*<sup>3</sup>, made a distinction between inward-looking and outward facing adaption:

- ***Inward looking adaptation*** is driven by an understanding of the wider climate risks to employees and the opportunities for creating better quality jobs. These adaptations would focus particularly on the workforce and the workplace. Inward looking adaptation addresses the implications of climate change for working practices and conditions,

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<sup>3</sup> *Changing Work in a Changing Climate*, TUC 2009

equipment, skills and health and safety. It involves equipping workers with the skills and training needed to perform their roles safely and efficiently in the face of climate change. Inward looking adaptation strategies require a bottom up approach, consulting workers and their representatives.

- **Outward facing adaptation** is driven by an awareness of the strategic or commercial risks and opportunities facing the organisation. Outward facing adaptation strategies tend to be top-down, aimed at ensuring sustainability of the organisation. It would safeguard job security, minimise job churn and help to create new employment opportunities

The following example is illustrative of the lack of coherent thinking amongst employers on this agenda:

“A clear example of where outward facing adaptation is being pursued without any accompanying inward-looking adaptation is found in one of the UKs top energy companies. This company is taking a proactive approach to adaptation; it has joined together with its competitors to commission original research on climate impacts in order to assess the risks posed to critical supply and distribution infrastructure. It is factoring future climate conditions into its demand forecasting so that it can make informed decisions when purchasing cheaper electricity on the futures markets. It is also integrating adaptive measures into routine maintenance so that various elements of the distribution infrastructure are replaced at minimal cost in anticipation of future impacts; rather than retrofitting once impacts arrive, at greater cost. However, because of its strategic focus on climate adaptation, the company in question considers itself to be managing climate risks. Consideration has not yet been given, for instance, to the health and safety of maintenance workers who are required to work during heatwaves, or to carry out repair work in floodwaters. In fact, no inward looking adaptation initiatives have been discussed within the company at all”.

The ability of an organisation to adapt to climate change is determined by a number of factors:

- The range of technological solutions available,
- The availability of resources including financial capital for investment in adaptation,
- The decision making and employee consultation structure within an organisation,
- Levels of education and awareness,
- Relations with other relevant parties,
- The ability to spread risk ( through insurance or strong networks),
- The ability of decision makers to process climate information and make decisions based on their analysis.

Government’s role should be to incentivise and support organisations to adapt to climate change; recognising that the adaptive capability of SMEs is limited.

#### **4 Skills and trade union education**

To deliver a low carbon future, every sector will require a wider range of skills, as well as culture change and the softer skills that make people environmentally aware. It is essential that people can re-skill whilst still in work.

Yet, a Labour Research Department survey showed that only seven per cent of respondents said their employer had given them the opportunity for re-skilling and up-skilling in relation to the environmental agenda.

Trade unions are also working hard to ensure that workplace representatives have the necessary skills and knowledge to negotiate effectively on environmental issues. Representatives are already negotiating to support employees in obtaining green skills, stimulating demand for these skills and facilitating training in the workplace. Resources are being developed to support trade unionists map workplace environmental concerns and negotiate in order to address them.

#### **5 Facility time for trade union representatives**

The LRD surveyed 1300 trade union workplace representatives about the mitigation measures implemented in the workplaces to reduce current and future emissions. It found a remarkable range of union-led initiatives to tackle energy and resource use, recycling and green travel. For instance,

- Unions across the public and private sectors have negotiated agreements containing significant environmental components e.g. UNISON, Prospect, UNITE and GMB negotiated an international agreement with energy firm EDF on corporate responsibility which includes commitments to tackle climate change;
- A significant number of workplace committees have been established to address environmental concerns. Joint management-union health and safety committees continue to be the most popular forum for discussing climate related issues;
- Over 140 of the representative surveyed have undertaken some sort of environmental survey, audit or inspection of their workplace, one of the most effective ways of kick starting an emissions reduction campaign.

However, this activity remains purely voluntary. The STUC firmly believes that very much more could be achieved with a few simple measures to give green reps the right to take time off to be properly trained on energy and environmental issues; and time to carry out their functions as environmental representatives.

Unions want the right for workplace environment representatives from independent trade unions to take reasonable time off during working hours to:

- Promote environmentally sustainable workplace initiatives and practices;
- Carry out environmental risk assessments and audits;
- Consult on workplace environmental policies, practices and management systems; and,
- Receive relevant training.

**STUC**  
**September 2009**



## **Joint Communiqué on Climate Change from the Scottish Government and the Scottish Trades Union Congress**

We agree that:

- Climate change is the most serious environmental threat faced by the global community and Scotland. It is right that Scotland should contribute to the global effort necessary to mitigate climate change.
- Addressing climate change can deliver significant economic, social and environmental benefits to Scotland. The creation of quality jobs through the transition to a low-carbon economy represents a major economic opportunity for Scotland.
- The transition to a sustainable economy needs to be socially just so that all parts of society partake in the benefits of growth and responsibilities are shared fairly.
- Addressing the economic, employment and social impacts of the transition to the low-carbon economy and adapting to climate change will be vital to building stakeholder support and delivering the necessary programmes of action.
- Government, the public sector, employers, trades unions, civic society, communities and members of the public all have important roles to play in delivering the transition to sustainable economic growth and a low-carbon Scotland.
- The greening of the workplace has a central role to play in delivering emissions cuts and promoting environmental action throughout society. Worker involvement is the key to culture change in the workplace. Good practice developed in the workplace will also have a positive influence in the home and community.
- The Scottish Government's Climate Change legislation sets a world-leading level of ambition by covering all the internationally recognised greenhouse gases and emissions from international aviation and shipping, increasing the 2020 interim target to at least 42% emissions cuts if the EU commit to 30% cuts by 2020 following a new global agreement on climate change, and setting in statute the Government Economic Strategy target of 80% emissions cuts by 2050.
- Action on climate change should centre on mitigation (reducing greenhouse gas emissions), adaptation (resilience to changes in the climate) and communication (of climate change messages).
- Scotland has a vast potential and comparative advantage in renewable energy, as well as being strategically positioned on carbon capture and storage and on collaboration to develop UK and European energy grid networks. Developing Scotland's renewable energy potential can help sustain fragile, remote economies through the creation of skilled, middle income employment. Forestry is also another area of comparative advantage for Scotland. New technologies in energy efficiency and vehicles provide additional opportunities for Scotland to grow skilled employment.

Together we agree to:

- Recognise the potential of the low-carbon economy to deliver quality, secure employment.
- Work in partnership to ensure that the economic, employment, social and environmental benefits to Scotland of developing a low carbon economy are maximised.
- Work in partnership to develop policies to green the Scottish workplace and provide effective support to workers displaced by the transition to a low carbon economy.
- Work in partnership to ensure that the regulatory framework for energy is supportive of new investment, particularly in remote communities.
- Promote the importance of education, training, skills and workforce development in delivering effective action on climate change.
- Ensure Government policy on climate change contributes to community cohesion and reducing inequalities.
- Government analysts will undertake a scoping exercise of what research there is on the impact of climate change on employment at national and regional level and report back to the STUC with the results.

**TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE**

**Tuesday 6 October 2009**

**Written evidence from the Cabinet Secretary for Finance and Sustainable Growth in relation to the Draft Budget Scrutiny 2010-11**

**Introduction**

1. On Thursday 17 September 2009, the Convener received a letter from the Minister for Transport, Infrastructure and Climate Change regarding the Cabinet Secretary for Finance and Sustainable Growth's budget statement 2010-11 and in particular, on the announcement that the Glasgow Airport Rail Link project was to be cancelled.
2. The Convener wrote to the Cabinet Secretary on 24 September 2009, seeking further information on the decision-making process which led to this announcement. The letter is attached at Annexe A.
3. The Convener received a response from the Cabinet Secretary on 1 October 2009. The response is attached at Annexe B.

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24 September 2009

Dear Cabinet Secretary

I am writing in relation to the recent decision taken by the Scottish Government to cancel the Glasgow Airport Rail Link (GARL) project.

This is an issue which the Committee intends to explore as part of its scrutiny of the Scottish Government draft budget 2010-11. As you will be aware, you will be giving evidence to the Committee as part of this budget scrutiny at a committee meeting on Tuesday 3 November.

Ahead of its budget scrutiny, the Committee wishes to request that you provide some further information about the decision to cancel the GARL project. In particular, the Committee wishes to receive further details of the decision-making process that lead to the cancellation of GARL; specific details of the rise in costs associated with the project mentioned in your statement to Parliament; the timescale for the decision being taken; and who was consulted prior to the decision being made.

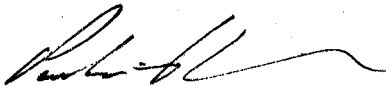
The Committee also would be interested in hearing your views on the extent to which the decision to cancel GARL was a purely financial one or whether there were other strategic transport reasons involved. Finally, the Committee would wish to receive a list of all transport projects which were considered for cancellation, what other options were considered for cutting or reconfiguring the capital expenditure on transport, and the full criteria used to assess these various options before reaching a decision.

The Committee intends to begin its programme of evidence taking on the Scottish Government's draft budget at a committee meeting on Thursday 6 October. It would be very helpful if the Committee was able to receive a response to its questions on GARL by Thursday 1 October, to enable members to properly consider the Scottish Government's position before beginning to take evidence on the budget.

I appreciate that this is a short timescale, necessitated by the tight budget timetable, but I hope it will be possible to receive a response to the Committee's questions.

I look forward to hearing from you.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Patrick Harvie', with a long horizontal flourish extending to the right.

**Patrick Harvie MSP**

Convener

Transport, Infrastructure and Climate Change Committee

## Annexe B

<p><b>Cabinet Secretary for Finance and Sustainable Growth</b> John Swinney MSP</p> <p>T: 0845 774 1741 E: scottish.ministers@scotland.gsi.gov.uk</p>	
<p>Patrick Harvie MSP Convener Transport, Infrastructure and Climate Change Committee Room T3.40 Scottish Parliament Edinburgh EH99 1SP</p>	

1 October 2009

Thank you for your letter of 24 September 2009, setting out a number of areas where the Committee seek further information with respect to the Scottish Government's recent announcement to cancel the branch line element of the Glasgow Airport Rail Link (GARL) project.

As I made clear in my parliamentary statement on 17 September, in considering the Draft Budget for 2010-11 the Scottish Government had to take into account the significant pressures that had arisen in 2010-11, including the budget reductions imposed upon us by the UK Government, and the expectation that this pressure would grow, in line with the Treasury's forecasts (in the Chancellor's Red Book) of major capital scarcity in the medium term.

As a responsible administration, the Scottish Government has had to begin planning for this period of scarcity, to help ensure that available funding continues to be directed toward front line services, and one of the steps we decided to take was to cancel the branch line element of GARL.

On your specific questions about cost, there have been revisions to the cost estimate since the submission of the Private Bill, these are summarised in the tables provided at Annex A, along with an explanation of the key areas of movement.

The draft budget document sets out a package of spending proposals which continue to be shaped by our purpose of delivering sustainable economic growth, by our framework of national outcomes and by our commitment to first-class public services in Scotland. Our spending plans are, of course, framed by the current economic climate and the Scottish Government has had to take some difficult decisions in response. I look forward to discussing these issues with the Committee on 3 November.

**JOHN SWINNEY**

Annexe B

**Annex A****Overall project costs – GARL and subsequently GARL/PCR:**

Table 1:

Milestone	Cost (£M, excl VAT)	Year for costings
Base Cost at time of Bill submission (Jan-06)	160	(Q4/2004)
Base Cost out turned to delivery in 2010	170 - 210	(Q1/2010)
Cost Range as made public by Ministers (Dec-08)	365.5 to 395	(Q1/2012)
Most up to date estimate (Sept-09)	397.5	(Q3/2013)

Headline Factors impacting upon cost estimate:

**Base Cost (Q4/2004):**

- this was on the basis of a GARL only solution (i.e. without the signalling renewal project)
- this was prior to the agreement reached between the Bill Promoter (Strathclyde Partnership for Transport (SPT)) and Glasgow Airport Limited, and
- Reflected the capital costs if the project had been built by the end of 2004.

**Base Cost (Out Turned):**

- this saw the application of Transport Scotland (TS) inflationary indices to a programme consistent with delivery by 2010.

**Cost Range (Dec-08):**

- the estimate was revised following work undertaken by TS after the transfer of Authorised Undertaker powers from SPT in May 2008;
- the project design was at a more detailed stage of development therefore a number of scope / design issues had been clarified and costed;
- costs were on the basis of an integrated Glasgow Airport Rail Link (GARL) / Paisley Corridor Renewal (PCR) project and include an efficient cost estimate, determined by the Office of Rail Regulation (ORR), of £182 million for the works to be delivered by Network Rail (NR);
- scope / design took account of the project obligations arising out of the agreement reached between the Authorised Undertaker (SPT subsequently TS) and Glasgow Airport Limited. There were a number of areas within the airport campus works which still required to be developed in detail to provide greater cost certainty.

**Cost Estimate (Sept-09)**

- this took account of the estimates arising from Transport Scotland / Glasgow Airport Limited working at a detailed technical level since Dec - 08. These technical discussions brought greater certainty with respect to re-provisioning and compensation costs associated with work in the airport campus.

**Airport Campus Costs:**

At the time of submitting the GARL Private Bill to the Scottish Parliament (Jan-06) the costs associated with re-providing facilities within the airport campus were estimated at £7.8 million (Q4/2004). These costs were made up of £5 million for the capital cost of replacing the aviation fuel farm and £2.8 million in land and compensation costs.

## Annexe B

The most recent costs for reprovion / compensation within the airport campus total £70 million (Q3/2013), which are broken down by element in table 2 below.

**Table 2:**

	rounded values (£M)	
Fuel Farm capital construction costs	32	based on tender returns in 2009 from BAA for an enhanced fuel farm
Fuel Farm compensation costs	5	based on concluded negotiations involving TS/BAA/Pentland Aviation & District Valuer
	<hr style="width: 50%; margin: 0 auto;"/> 37	
Happitots	1.4	based on construction of new nursery building for BAA to rent to tenant Happitots at Abbotsinch Road site
Car Rental Companies back up facilities	8	based on construction of new combined facility to be owned by BAA and operated under various arrangements between BAA & Car Rental Companies at Abbotsinch Road site. Developed in consultation with BAA.
New Multi Storey Car Park to reprovide for car rental 'ready and return' area and to reprovide for affected public car parking spaces	11	based on construction of new multi storey car park to be owned by BAA and operated under various arrangements between BAA & Car Rental Companies and Car Park operator. Developed in consultation with BAA.
BAA compensation claim (land value & other)	3.7	based on submission from BAA
TS Estimated 'Other'	5	generated by TS and includes estimates for other potentially affected third parties on airport campus and an element of risk provision
	<hr style="width: 50%; margin: 0 auto;"/> 29.1	
Reimbursement of BAA staff and advisor costs	3.9	costs to develop GARL in BAA campus under terms of Master Agreement -based on invoices values from BAA to date and a further forecast of £1.3m to complete
	<hr style="width: 50%; margin: 0 auto;"/> <hr style="width: 50%; margin: 0 auto;"/> 70	