

THINK AGAIN



THE GREEN PARTY AND JOBS IN THE SOUTH EAST



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As part of our 2009 European election campaign, the Green Party are demanding a radical new rethink on jobs.

We know that across the South East concerns about the state of the economy are very real, so in this report I have outlined how Green Party policies can help create jobs as well as help deliver environmental and social benefits. The region is already leading the way, and using case studies of existing enterprises I hope to show you what can be achieved. With the right targeted investment and training, South East England could be well placed to emerge from the current crisis with a steadier economy in place and with our quality of life enhanced significantly.

Only one political party has the vision and direction to deliver this kind of change, so it really is time to think again about jobs and the Green Party.



Dr Caroline Lucas, Green Party MEP
for South East England.



INTRODUCTION

The British economy is officially in recession. We had the boom: now we have the bust. Businesses are being pushed under through lack of credit. Councils are cutting vital services. People are losing their jobs.

The credit-fuelled financial crisis stoking this situation is the worst since the 1930s, the Great Depression and the time of Franklin D. Roosevelt's New Deal. It poses a challenge not seen for a generation.

The Green Party believes that this challenge demands a Green New Deal. This time round any 'New Deal' has to be 'Green' because this time round the financial crisis has two extra elements not faced by Roosevelt's generation. These are the environmental crisis, in the form of climate change, and the energy crisis, in the form of Peak Oil¹. We believe it is possible, and indeed essential, to tackle all three simultaneously - the economic crisis, the environmental crisis and the energy crisis.

A Green New Deal would rein in the distorting power of the finance sector while making more low-cost capital available for pressing priorities. It would create up to a million new green jobs. It would involve massive investment - not in roads and bridges as in the New Deal of the 1930s, but in green, energy-efficient infrastructure. It would drive a renewables revolution that includes every home becoming a power station and the UK becoming more self sufficient in terms of energy production.

Green New Deal research suggests that we could see:

- almost 140,000 extra jobs from a programme of energy saving for every home in the country
- 200,000 extra jobs in wind energy by 2020
- 200,000 extra jobs in agriculture, by increasing the supply of locally-produced food
- many more jobs in public transport, greener waste management, small-scale biogas production, and the installation and maintenance of solar panels on hundreds of thousands of roofs².

Green New Deal research suggests that Green policies on energy, on transport, on waste management and on agriculture will deliver more jobs per megawatt, more jobs per mile, more jobs per tonne and more jobs per acre³.



EMPLOYMENT IN THE SOUTH EAST

Although there are differences within the region overall, to date South East England has been one of the most economically successful regions not only in the UK but in Europe. Just over a year ago, in April 2008, the South East had the highest employment rate in the UK at 79.6 per cent, the second highest Gross Value Added per head and the second highest household income per head⁴, albeit that such growth bears a high environmental cost.

More recently, economic indicators for the region are following national trends that add up to a recession. An Ipsos MORI National Business Survey published in January 2009 found that almost two in three businesses in South East England had an output below capacity⁵. Output volumes had fallen by 9 per cent over the previous year (the national fall was 10 per cent) and profit margins had fallen by 43 per cent (the same as the national fall)⁶. Numbers employed by businesses in South East England had fallen by 10 per cent⁷. While this figure reflected the national trend, a report published by the South East England Development Agency (SEEDA) in March this year gives more cause for concern. SEEDA's South East Labour Market Update found that the South East region broke with national employment trends in the three months to January 2009 when employment fell by 32,000, the largest amount of any British region⁸. This figure included the largest fall in any region for the number of women in work⁹.

These dramatic employment figures can be obscured by the rate of unemployment, which SEEDA recorded as the lowest for any region. SEEDA suggested that this seeming disparity - employment falling sharply while unemployment doesn't rise correspondingly - may mean that a significant proportion of people leaving employment in the South East have moved straight into economic inactivity rather than registering as unemployed¹⁰. This could be because financial circumstances made them ineligible to claim Job Seekers' Allowance.

The number of people in the South East claiming Job Seekers' Allowance has risen all the same, almost doubling in the year to February 2009, when it hit its highest point since May 1997¹¹. One of the fastest growth areas for claimants has been the Isle of Wight¹². Milton Keynes, Crawley, Thanet, Hastings, Adur, Slough and Medway have also seen noticeable increases in the rate of people claiming Job Seekers' Allowance¹³.



Alongside falling employment and increasing claims for Job Seekers' Allowance is an increase in redundancies, with Citizens Advice Bureaux in the South East taking more than one fifth of all the redundancy enquiries in England and Wales between January and March 2009¹⁴. In March 2009 SEEDA reported that more than one third of recent redundancy notices in the South East had been in the manufacturing sector¹⁵. Manufacturing firms facing difficulties in March included Carrington, the West Sussex-based metal components manufacturer with about 250 staff, which went into administration, and Ramsgate-based engineering firm Active Signs, which went into administration with the loss of 70 jobs.

Manufacturing may be expected to face problems, given its exposure to increasingly expensive raw materials and running costs alongside an overall decline in consumer spending. However, the recession is being felt right across the South East economy. Business Link Surrey has reported an increase in enquiries from businesses in sectors they wouldn't normally hear from, such as dentists, solicitors, plumbers and opticians¹⁶. A SEEDA report of August 2008 said: "The tougher economic conditions we are now seeing will have an impact on all businesses, although the effect will vary in different places and sectors."¹⁷

Oxford Cycle Workshop

The Oxford Cycle Workshop (OCW) has three main purposes:

- Recycling as many of Oxfordshire's abandoned bikes as possible;
- Empowering people with the knowledge of how to do routine maintenance and more complicated repairs on their bike;
- Doing everything it can to promote cycling in Oxford and beyond - particularly making cycling safe, easy and fun.

The OCW has premises in Oxford but also does a considerable amount of work off-premises, seeing education and outreach as a key part of its remit. Its projects involve a roving bicycle clinic, and liaison with a local prison, where an OCW staff member trains inmates in bicycle maintenance. Inmates learn skills and draw a small income from this work, and also fit out bicycles reclaimed from local waste dumps.

OCW was launched seven years ago. It currently has 12 staff - nine full-time and three part-time. It is run as a Workers' Co-operative, so staff have to be supportive of the ethos this implies and participate in the general running of the company.

Although the company is stable as an enterprise, generating sufficient income is an ongoing issue as it is motivated by an interest in providing a quality service, rather than generating substantial profit.

THE POLICIES AND THE JOBS

In times of economic crisis, it is often argued that we cannot afford to address environmental issues. Nothing could be further from the truth. It is precisely by investing in long term environmental protection that we can create jobs, as well as deliver other key social benefits. The Green Party calculate that over 140,00 jobs would be created in South East England if the Green New Deal action plan featured in our 2009 European election manifesto were to be implemented.¹⁸

1. POLICY: Regulate banking and close tax loopholes

The explosion of debt and the multiplication of exotic financial instruments that led into the financial crisis have been disastrous for both our economy and our environment. The Green Party has been a rare voice of resistance to the madness of financial deregulation.

We propose:

- Reforming European rules so that capital and exchange controls can be reintroduced;
- Introducing a Europe-wide tax (a 'Tobin Tax') on international capital transactions to curb speculators;
- Tightening the easy credit that allows speculators to multiply the size of their 'bets' well beyond the cash required to cover them;
- Regulating banks to ensure rigorous capital requirements and limits to executive pay and bonuses;
- Regulating all financial instruments and practices firmly and permitting only those that are transparent, that offer limited risk of financial destabilisation and which are clearly beneficial;
- Co-ordinating action between the Bank of England and the European Central Bank to ensure interest rates remain low for green investment;
- Using European influence to tackle the loopholes that allow some £10bn a year to be diverted from the UK tax system through the use of tax havens;
- Using EU influence to ensure that the International Accounting Standards Board introduces standards that require that multinational companies report their performance on a country by country basis;
- Taking the lead in international negotiations with the new US administration to reform the world financial system to put it on a fairer and more stable basis.



We need to use the control now available through the partial nationalisation of some of the banks to ensure those institutions begin lending again in a more considered way, based on UK deposits and higher effective reserve ratios. This lending needs to be both to hard-pressed businesses, especially small and medium-sized ones, and for house purchases for those who can genuinely afford to borrow.

We must tighten up tax enforcement to collect the £12 billion avoided annually by the largest corporations and the £13 billion avoided each year by wealthy individuals. We need to retain the ability for the UK to continue to control its own monetary policy by not entering the Euro.

Alongside these, we would encourage mutual institutions, more small local banks, democratically controlled, and fewer huge multinationals so that no single actor is 'too big to fail'.

We would introduce a fund of up to £1 billion to provide initial capital on a matched funding basis for new mutual and local institutions, including new building societies, mutual insurers and banks and credit unions. And we would provide new ways for pension funds and others to make safe investments in public projects such as schools and hospitals, or in the emerging green economy, rather than relying on the government's discredited Private Finance Initiative. We will argue for an EU statute for social enterprises and oppose proposals from the Commission to increase taxation on some cooperatives.

NUMBER OF JOBS CREATED: 140

2. POLICY: Invest massively in energy efficiency and renewable energy, including large scale wind and tidal power and micro-generation

In the UK we must completely renew our energy system infrastructure. Many European countries are already doing much better than us; Germany generates 14% of its electricity from renewables, while the UK manages only 5%. It is important not to overlook the jobs potential from energy efficiency measures too.¹⁹ Our policies:

- Most importantly, we oppose any European rules (concerning state aids for example) that prevent direct government help to renewables;
- We would shift EU subsidies and support for research and development from nuclear and fossil fuels to the renewable energy sector.



- We believe that large-scale power generation and distribution must be brought back into the public sector, current coal station schemes must be cancelled, and that we must move ahead rapidly with large-scale wind and tidal generation, and necessary development of the grid
- Domestic micro-generation must be encouraged by massively increasing the size of existing schemes to £2 billion per year by introducing long term feed in tariffs immediately;
- The introduction of smart meters must be accelerated;
- Planning guidance must be changed to assist renewables;
- We would seek agreement in the EU to abolish VAT on energy-efficient improvements to properties;
- We will also promote higher energy-efficiency standards for appliances sold in the EU with better energy labelling.

NUMBER OF JOBS CREATED: 5,800 through large scale wind and tidal power; 5,520 through micro-generation

Thames Valley Energy

Thames Valley Energy (TV Energy) operates in Berkshire, Buckinghamshire, Oxfordshire and northern Hampshire. Its mission is to promote and facilitate practical sustainable energy solutions and provide education for communities, businesses, organisations and individuals within the Thames Valley and beyond. Its principal interests relate to renewable energy (wind, bioenergy, solar, hydro) but it also embraces green waste and green transport initiatives.

Case studies featured on Thames Valley Energy's website demonstrate innovative and forward-looking projects supported by the organisation. These include domestic solar power systems and several examples of woodfuel boilers, including a woodchip fired boiler and domestic heating system that provides power for West Dean College, a study centre to the north of Chichester.

A 2008 report by TV Energy, *Progressing Renewable Energy in the SE of England*, stated that the rate at which the industry can build and complete will become the key determining step in the South East's ability to deliver on targets for renewable energy. It said that "On the basis of [reports] and the positioning of the SE, it is not inconceivable that in excess of 10,000 new jobs might be created and many thousands more secured". The report argued that areas like biomass offer the most scope for future employment and business creation.

TV Energy has a core staff of 10 specialists in the renewable energy and energy efficiency sectors. It is a 'not-for-profit' initiative with sponsors and supporters drawn from the public and private sector, as well as academic and voluntary organisations.

3. POLICY: Major expansion in public transport, including doubling the bus fleet plus subsidy and investing in rail

Carbon dioxide emissions from transport are still growing. They grew in the EU by 32% between 1990 and 2005, while other sectors declined by 9.5% over the same period. Public transport creates jobs, and takes polluting cars off the roads. It is particularly important for the elderly and the less well-off.

- We would effectively double the size of the bus fleet;
- We would subsidise fares and get new services running;
- We would bring the railway system back into public ownership, on new track and rolling stock, and on urban tram schemes;
- We would bring rail fares down, in line with the European average;
- We would not allow any more airport runways, including the third runway at Heathrow and we would not build any new major roads.

NUMBER OF JOBS CREATED: 9,800 through doubling the bus fleet plus subsidy and 2,800 through investing in rail

The Big Lemon

The Brighton-based Big Lemon company aims to develop friendly, affordable and environmentally-friendly bus services, in order to give those without cars the freedom to get around easily and encourage those with cars to use public transport instead in order to help reduce global warming. Launched in 2007, The Big Lemon is run as a Community Interest Company (CIC) and all the profits are put back into the business.

The Big Lemon is also a recipient of the Dandelion Award, which "recognises the extraordinary efforts of businesses throughout the UK to improve their own and others performance on issues surrounding sustainability".

The Big Lemon may be Brighton-based for now but it has expansion plans - Founder Tom Drutt believes it offers a model that could be applied anywhere in the UK.

Currently, the company employs five full-time staff and three part-time. It has approximately doubled its turnover and the size of its fleet in the last year, and expects to do the same in the coming year. Drutt is satisfied with this as a steady growth that hasn't been undermined by the 'credit crunch'.

4. POLICY: Develop a Right to Rent scheme and invest in public rented housing

Housing provision and the construction industry are in crisis. Many households cannot find affordable housing, especially housing for rent. Others, struggling with mortgage arrears, face re-possession and homelessness. And builders who could be helping to solve these problems have been left struggling with unemployment.

- We support a £6 billion fund being made available to local authorities to buy up and convert, or in some cases build, new housing, for rent;
- We would expand the public housing stock through a Right to Rent scheme, funding the purchase by local authorities of homes threatened by re-possession, which would then be rented back to the occupiers.

NUMBER OF JOBS CREATED: 19,620 through creating more affordable housing for rent and 690 through the Right to Rent scheme.

5. POLICY: Free insulation for homes, schools and hospitals

About a third of greenhouse gas emissions come from buildings. These can be reduced substantially by improving insulation - not only are emissions reduced, but jobs are created and homeowners, businesses and institutions save money on heating bills.

We would insulate all 20 million uninsulated homes, schools and hospitals through a simple, free government-funded scheme run by local authorities and would argue for EU funds to assist such scheme.

NUMBER OF JOBS CREATED: 11,040

6. POLICY: Green workforce training

We need a revolution in skills to build the new green economy; new skills need to be developed in green building techniques, renewables engineering, organic agriculture and horticulture, and existing traditional skills, from driving buses to gardening organically, need to be more widely disseminated. If people are unable to get jobs, we should



make sure they are able to use that time to access training for work that will need to be done in the future.

We would propose a £7bn training programme. In Europe we would argue for European funds, in particular the Globalisation Adjustment Fund but also the European Social Fund, to be used partially to fund such schemes.

NUMBER OF JOBS CREATED: 68,150

The Newbury Community Resource Centre

The Newbury Community Resource Centre (NCRC) Ltd is a registered charity and a company limited by guarantee. It has three working names - The Community Furniture Project (Newbury), The Community Furniture Project (Basingstoke) and the Community Re-Use Centre. All three have a proven track record in recycling good quality second-hand furniture, electrical goods and other household items to local families in need. NCRC Centre also works with community groups and local businesses, helping provide greener waste and re-use services.

As well as helping the environment by saving unnecessary landfill, the organisation provides a range of volunteering and accredited training opportunities. For example, it works with Newbury College to assist volunteers to gain basic qualifications and to get into the habit of work.

NCRC was initially set up in Newbury just over 10 years ago. By 2000 it had three paid staff and 12 volunteers. Approximately five years ago it expanded to 3 different premises in Newbury, Greenham and Basingstoke. Between these premises there are now 19 paid staff and 140 volunteers. Many of the staff were previously volunteers and the organisation encourages existing volunteers to apply for paid positions when they arise.

The organisation is confident that current jobs are secure and is optimistic about expansion, currently planning an additional project in Basingstoke. The project will be called 'Growing Together' and will rent a site including two greenhouses and land suitable for allotments to develop a food-growing project.

NCRC has noticed an increase in demand for products in recent times, possibly due to the credit crunch. Phelim O'Hagan, Manager of the Community Furniture Project in Basingstoke says "the more we expand the more secure we are".

7. POLICY: Free social care for older people

In hard times it is more than ever important that we look out for vulnerable members of the community. In particular this includes older people, who have worked hard in their lives to produce so much of what we enjoy now.

We would provide free of charge to any elderly person who needs it, either residential care or support for living in sheltered housing or at home.

NUMBER OF JOBS CREATED: 8,407

8. POLICY: Invest in waste management

Europe's landfill directives have forced a reluctant revolution upon our out-dated waste management system. Re-use and re-cycling have slowly improved, and the use of landfill has declined. But the UK still lags behind leading European countries, not least because our local authorities are forced by government to deal with waste on the cheap. We would double expenditure on municipal waste management, spending an extra £4bn to encourage re-use and repair, increase recycling and digestion and reduce landfill and incineration, thus cutting greenhouse gas emissions.

NUMBER OF JOBS CREATED: 11,210

Remade South East

Remade South East was previously known as Remade Kent and Medway. That organisation was set up in 2001 and changed from a local organisation into a regional organisation and company limited by guarantee in 2007. Its offices are based in East Malling in Kent.

The aim of Remade South East is to expand the waste market development activities of ReMaDe Kent & Medway across the South East of England. It creates and sustains new markets for waste resources in order to reduce the amount of waste going to landfill and to minimise carbon dioxide emissions through the re-use and recycling of materials.

Remade South East's work includes helping companies and local authorities to improve their performance on collection, reprocessing, remanufacture and purchasing.

Since Remade South East was established in 2001, the programme has:

- Diverted over 105,000 tonnes of waste away from landfill and into new products.
- Created 12 pilot recycling projects in partnership with businesses and local authorities.
- Created and maintained the Kent Exchange and Resources Directory in partnership with Kent's egeneration website
- Developed and expanded the Kent Green Buyer's Club to 70 member businesses and local authorities.
- Devised and managed 3 major "green" trade fairs in partnership with London Remade and Essex Remade.
- Established a computer recycling project, UK Recycle IT, in Aylesford Kent.
- Worked in partnership with DMS Composites and Kingston University to develop a new foamed glass construction product.
- Applied 14,000 tonnes of municipal organic waste as horticultural mulch as part of a project being operated with the Waste Resources Action Programme (WRAP).
- Created a closed loop cardboard collection scheme (Medwrap) in the Medway towns.
- Trained over 100 rural businesses to produce compost through the Mid- Kent Leader + programme.
- Carried out 24 Business Reviews and enrolled and assisted 30+ small to medium sized businesses in the Waste Sector in Kent, through the European funded Interreg 111a Eco-Enterprise programme.

Chief Executive Diana Lock described the company's position as: "rather upbeat at the moment". It has five employees and is recruiting more staff as it is currently in expansion mode. The company has made a conscious decision to employ people locally and makes an effort to advertise locally as well as nationally and regionally.

Remade South East's focus on long-term projects, assisted by government or European Union funding, means that it is less affected by recent broader economic developments. Also, the company focuses on delivering projects and research rather than manufacturing products so is less affected by factors such as an increase in the cost of raw materials.

CONCLUSION

In her work at European level, Green Party MEP Caroline Lucas has demonstrated commitment on employment issues:

- She has called for a revision to EU employment law, such as the Posted Workers Directive, to prevent disputes that threaten to undermine workers' rights across the EU, challenging the rights of multinationals to undercut local pay rates and exploit workers.
- She has demanded that the European Union monitor bilateral agreements so that hard-won workers' rights will not be undermined if, for example, non EU companies bring in their own work force.
- She has lobbied the UK authorities about better protection for temporary workers, including the provision that temporary agency workers receive the same basic working and employment conditions as other employees doing the same job, preventing employers from using agency workers to undercut the rest of their workforce, or keeping people on lower wages for long periods of time.
- She has backed EU plans to give employers more control of the hours they work, under the Working Time Directive, thereby giving people the chance to opt for a better work-life balance.

Back here in the South East, Caroline has spoken out against the Government's failure to protect much-needed jobs, including those of Danish Company Vestas Windsystems.

In April, this wind turbine manufacturer announced that it was closing its factory on the Isle of Wight, leading to the loss of about 600 jobs in Newport and Southampton. Many more supply chain jobs will also be affected. This decision is a devastating blow for yet another set of skilled British workers about to lose their jobs. Yet its impact goes beyond that. For, if British workers are to be at the forefront of manufacturing the clean technologies that can see us through the economic, environmental and global energy crises, we need businesses such as wind turbine manufacturers to stay. Vestas Windsystems isn't closing its plant because of falling profits - the company had just announced a quarterly sales rises of 59 per cent. No, the



problem was that these sales were not taking place in northern Europe, because governments here have failed to provide incentives for the renewables sector and companies such as Vestas Windsystems.

Green Party MEP Caroline Lucas said:

“In the midst of a global energy crisis the Government has missed one opportunity after another to launch a clean energy revolution that would provide hundreds of thousands of green collar jobs, reduce energy bills and deliver long-overdue improvements to the UK’s infrastructure. The ideas to develop and support the sector, and so create an energy policy fit for the 21st century, are there - all that is needed now is the political will to see them through.”

- ¹ Peak Oil is the point at which half the total oil known to exist has been consumed, and beyond which extraction goes into irreversible decline.
- ² Best of Both Worlds: Green policies for job-creation and sustainability, Green Party of England & Wales, 2003: www.greenparty.org.uk/reports.
- ³ *ibid*
- ⁴ *South East England Economy: A joint response to changing economic circumstances*
August 2008, HM Treasury, Department for Business, Enterprise & Regulatory Reform, South East England Development Agency, August 2008.
- ⁵ *National Business Survey: Regional Report for South East England*, Ipsos MORI, January 2009.
- ⁶ *ibid*
- ⁷ *ibid*
- ⁸ *South East Labour Market Update*, South East England Development Agency, March 2009.
- ⁹ *ibid*
- ¹⁰ *ibid*
- ¹¹ *ibid*
- ¹² *ibid*
- ¹³ *ibid*
- ¹⁴ *Regional Intelligence Snapshot for the South East*, South East England Development Agency, March 2009.
- ¹⁵ *South East Labour Market Update*, South East England Development Agency, March 2009.
- ¹⁶ *Regional Intelligence Snapshot for the South East*, South East England Development Agency, March 2009.
- ¹⁷ *South East England Economy: A joint response to changing economic circumstances*
August 2008, HM Treasury, Department for Business, Enterprise & Regulatory Reform, South East England Development Agency, August 2008.
- ¹⁸ The figures are based on a national calculation broken down according to housing (policies 5 and micro-generation under policy 2), employment (6 and large scale wind and tidal power under policy 2) or population (policies 1, 3, 4, 7 and 8). Please see Appendix for a breakdown of our national job projection figures.
- ¹⁹ <http://www.guardian.co.uk/commentisfree/2009/feb/22/recession-carbonemissions>

GND measure	UK jobs '000		NE	NW	Y&H	E Mid	W Mid	E	London	SE	SW	Wales	Scotland
Regulate banking and close tax loopholes	1		44	118	87	73	92	94	126	140	86	51	89
Large scale wind and tidal power	40		1640	4520	3360	3040	3600	3880	5200	5800	3520	1920	3520
Micro-generation	40		1760	4720	3440	2920	3560	3760	4960	5520	3560	2040	3760
Subsidise rail fares	0												
Double bus fleet plus subsidy	70		3083	8250	6086	5114	6457	6605	8792	9808	6041	3559	6205
Invest in rail	20		881	2357	1739	1461	1845	1887	2512	2802	1726	1017	1773
Create more affordable housing for rent	140		6166	16500	12173	10229	12913	13210	17584	19616	12082	7117	12411
Right to Rent	5		220	590	430	365	445	470	620	690	445	255	470
Free insulation for homes, schools and hospitals	80		3520	9440	6880	5840	7120	7520	9920	11040	7120	4080	7520
Green workforce training	470		19270	53110	39480	35720	42300	45590	61100	68150	41360	22560	41360
Free social care for the elderly	60		2643	7071	5217	4384	5534	5661	7536	8407	5178	3050	5319
Invest in waste management	80		3523	9429	6956	5845	7379	7548	10048	11209	6904	4067	7092
Total	1006		42750	116105	85848	74991	91245	96226	128397	143183	88022	49716	89518