

WBG submission to Net Zero review from BEIS department (Oct 2022) – online platform

Overarching questions

1. How does net zero enable us to meet our economic growth target of 2.5% a year?

The net zero transition is an opportunity to reorient our economy around wellbeing, rather than profit. As the Women's Budget Group [Commission on a Gender Equal Economy](#) found, economic growth today is associated with rising inequality and environmental degradation rather than rising living standards. The focus on GDP growth has been increasingly challenged, including by [the OECD](#), and a [2020 inquiry](#) found that just one in five UK adults thinks the government should continue to prioritise growth as the ultimate economic objective.

Instead, the government should take steps to phase out unsustainable production, support carbon-intensive businesses to retool to low-carbon activities, and invest in the physical and social infrastructure required to meet everyone's needs in a low-carbon economy. Central to this will be rebuilding key public services that have been gutted by austerity and further undermined by the Covid-19 pandemic, ensuring everyone has access to the services that they need to thrive. More appropriate measures of economic success should be identified, for example the Genuine Progress Indicator (GPI), which is designed to take fuller account of the wellbeing of a nation. It includes income inequality, the value of non-market household and volunteer labour, and the social and environmental costs associated with market activity.

2. What challenges and obstacles have you identified to decarbonisation?

One obvious challenge to decarbonisation is the policy of maximum economic recovery applied to North Sea oil and gas. Globally, planned oil and gas production [will far overshoot](#) the targets agreed in the Paris Agreement and the [International Energy Agency](#) has made clear that no new oil or gas projects are necessary for or compatible with its pathway to Net Zero. Furthermore, increased UK oil and gas production will not support UK energy security, and will certainly not ameliorate the current energy crisis, given that it will take many years to come online and will then be sold on the international market.

As well as transitioning to renewable energy, the government must take steps to reduce energy demand. A key challenge to decarbonisation in this respect is the lack of coherent government policy and consistent support for individuals and businesses to become more energy efficient. For example, retrofitting buildings is one of the most urgent and straightforward interventions required to reduce UK emissions and lower energy bills. The stop-and-start nature of government policy in this area, most recently the scrapping of the Green Homes Grant and the confused messaging on solar energy, has made it very difficult for individuals to access either the support or the actual services they need to retrofit their homes. Moreover, it has stifled a source of green jobs as businesses do not have the certainty they need to invest in staff and training.

3. What opportunities are there for new/amended measures to stimulate or facilitate the transition to net zero in a way that is pro-growth and/or pro-business?

4. What more could government do to support businesses, consumers and other actors to decarbonise?

The government should spearhead the green transition by investing in the physical and social infrastructure that communities, businesses and individuals can rely on. This requires reorienting fiscal and monetary strategy to support public investments in decarbonisation and new low-carbon infrastructure including expanded public transport, greening the steel industry and building green social housing. It also means investing in the care, health and education sectors that make up our social infrastructure. These sectors are inherently low-carbon, are currently in crisis after a decade of underfunding, and are crucial to ensure a sustainable and more equal economy and society.

The government should implement a comprehensive and coherent response to the climate and ecological crises, beginning by urgently phasing out fossil fuel production and ensuring a just transition for the workers and communities currently reliant on those industries. Expanding renewable energy production, particularly in onshore wind and solar, would not only help the UK meet its climate targets but would be an important source of jobs for those moving out of the oil and gas sectors as well as other contracting sectors. It's important to ensure these jobs are also accessible to women and other marginalised groups who are underrepresented in the energy sector.

To help reduce energy demand, the government should launch a national retrofitting programme to insulate homes, improve energy efficiency and address the cost-of-living crisis. This would also address social and gender inequality, as women and those on low-incomes are more vulnerable to the cost-of-living crisis and more likely to live in cold, damp homes. Alongside retrofitting existing buildings, it should introduce much higher energy efficiency requirements for new builds, including heat pumps and solar panels as the standard.

Individuals and businesses need to have confidence in a long-term strategy that will support them to reduce their energy consumption and transition to renewable energy, including through government subsidies targeted at those least able to pay, particularly in the social and private rental sector.

These interventions should be accompanied by a mass public information campaign to support people with the awareness, guidance and access to services they need to help them transition to low-carbon energy and activities.

5. Where and in what areas of policy focus could net zero be achieved in a more economically efficient manner?

It would be much more economical to stop granting new oil and gas licences and, crucially, end the regime of tax breaks and subsidies for oil and gas companies and instead invest these funds in renewable energy expansion and energy efficiency measures including through a mass retrofit programme. The government has already decided to bring part of National Grid back into public ownership to lead the way on Net Zero. Buying back the rest of the grid could save [£3.7bn per year](#). Investing in onshore wind and solar power would be more

economically efficient and much quicker than expanding oil and gas production due to their relatively cheaper and faster construction processes.

Investing in our social infrastructure (see response to Q.30 for more info) has been overlooked as a strategy of green job creation. [Women's Budget Group research](#) shows that investing in care would create 2.7 times as many jobs as the same investment in construction and would be a greener investment as the care sector is responsible for 30% less greenhouse gas emissions than construction.

6. How should we balance our priorities to maintaining energy security with our commitments to delivering net zero by 2050?

The best and quickest way of achieving energy security is to transition away from oil and gas as soon as possible, thereby insulating the UK from future shocks in volatile fossil fuel markets. Investing in onshore wind and solar power, the cheapest and easiest to construct energy sources, is crucial, as is investing in a smarter, more flexible grid and better storage to ensure regular energy supply.

To speed up the transition, we support the creation of a state-owned renewable energy company which could be done, for example, by nationalising energy retailer Bulb, which the government is already on course to spend £2.2bn on propping up. The new public renewable energy company would set attractive tariffs for consumers and expand its remit beyond retail to invest in new renewable energy, following the example of most other European countries.

This must be accompanied by urgent measures to reduce energy demand, crucially by improving energy efficiency in productive processes and buildings.

7. What export opportunities does the transition to net zero present for the UK economy or UK businesses?

Questions for the public

18. Have you or are you planning to take personal action to reduce your carbon emissions (for example through how you travel, what you buy, how you heat your home)? If so, how?

19. Do you face any barriers to doing this? What are they?

As the [2022 report of the Intergovernmental Panel on Climate Change](#) (IPCC) made clear, shifting consumption patterns has been overlooked as a climate mitigation strategy. But most individuals do not have the power or resources to reduce the impact of the goods and services they consume. Making greener choices, such as installing home insulation, swapping the gas boiler for a heat pump, or even eating more sustainably produced food, are out of reach for many on low-incomes, disproportionately women and racialised groups. Public transport is not accessible to everyone, particularly in rural areas where the lack of regular buses, in particular, means people rely on cars. Furthermore, gaps in existing public transport networks have gendered implications, as they are often designed around typical commuter journeys, disproportionately taken by men, while routes taken disproportionately by women, notably bus routes are often irregular, inconvenient and overpriced. Active travel infrastructure is inadequate, deterring many from walking and cycling on unsafe and congested roads.

Making 'green' consumer choices such as walking to work, preparing more whole and sustainable foods, or using reusable nappies, can also disproportionately burden women with more unpaid work if made in the absence of structural changes including a shorter working week and a dramatically improved childcare system.

20. What would help you to make greener choices?

Structural change is required to make low and no-carbon options cheaper and more accessible. This requires a step-change in the scale of public investment in the services we use in daily life.

To help people make greener travel choices, we need a well-connected, integrated and affordable **public transport system**, with an emphasis on improving bus

services and active travel routes. Expanding and improving public transport would create jobs, which could be prioritised for those moving out of sectors that will shrink, including aviation – where automation has already displaced many workers – and car manufacturing and servicing. Investing in public transport is popular, with a Women's Budget Group poll finding that [61% of people are willing to pay more tax to support it](#).

To support people to eat more sustainably, we need a **sustainable food system**, which values the natural resources and people who produce food, while reducing its environmental impact and improving public health. A Right to Food would ensure everyone has access to nutritious food: demand-side measures such as universal free, sustainability-produced school meals would ensure access for low-income households while supply-side interventions would shift land-use towards nature-friendly farming. Government should use public procurement to lead the way in shifting consumer behaviour, for example moving towards provision of more plant-based and locally produced food in hospitals, schools and other public settings. Public investment should support alternative land ownership models including community-owned and county farms, giving individuals and communities greater access to food growing opportunities.

To enable people to buy greener products, government should ensure that production of the goods we consume prioritises sustainable and recycled materials, shortens supply chains, improves working conditions across the supply chain, and guarantees environmental, human and animal rights protections. This could be done through regulations for domestic production and mandating environmental and worker protections in binding clauses of trade agreements. New and widespread services in repair, reuse, recycling and rental of goods and materials should also be supported.

Alongside a public information campaign to support people to make greener choices, it is also important to involve people in decision-making processes and create spaces for local people and stakeholders to meet, connect and collaborate. People are more likely to support change when they can see the benefits, so giving them a say in the choices that are available to them is crucial.

Structural changes aimed at reducing inequality, such as investing in social care and introducing a shorter working week to encourage a more gender equal division of

paid and unpaid labour, would give women and other marginalised groups more time and resources to make greener choices.

21. What is working well about the measures being put in place to reach net zero?

22. What is not working well about the measures being put in place to reach net zero?

23. Do you have any further comments on how efforts to tackle climate change are affecting you?

Questions for academia and innovators

29. How can we ensure that we seize the benefits from future innovation and technologies?

30. Is there a policy idea that will help us reach net zero you think we should consider as part of the review?

Investing in social infrastructure would not only improve social wellbeing and address inequality but is also an overlooked source of green jobs. There is certainly more work to be done to decarbonise the health and care sectors, but as it stands the average job in health and care produces 26 times less greenhouse gas than a manufacturing job, over 200 times less than an agriculture job and nearly 1,500 times less than a job in oil and gas.¹ The adult social care and childcare systems are not working for care receivers, workers, parents or children. The Women's Budget Group has called for [free universal childcare](#) for all children in the UK between the age of 6 months and primary school and a [universal quality social care service](#) that would address the staffing crisis, relieve the burden on unpaid carers and promote care-receivers' wellbeing. These interventions would create 2.5 million jobs into which workers transitioning from shrinking or precarious sectors could be retrained. Improving pay and conditions in the care sector would help close the gender pay gap and make care work a more attractive prospect for women and men.

¹ WBG analysis of ONS Emissions Inventory and Business Register and Employment Survey, 2019

In terms of broader investment in the green economy, government should reduce occupational segregation and enable women to take advantage of the new jobs created. Funding for programmes in schools, universities and vocational education should support women and girls, especially those from disadvantaged backgrounds, into STEM roles, including green STEM roles through training and apprenticeships. This should be accompanied by financial support including subsidised training and paid education leave to support women, low-income and people from other marginalised groups to access training and development programmes and enable access to well-paid, fulfilling work in the new green economy.