

Consultation response: Just Transition to Net Zero Wales

March 2023

About the Women's Equality Network (WEN) Wales

Our vision is of a Wales free from gender discrimination where all women and men have equal authority and opportunity to shape society and their own lives. We work with our vibrant coalition of organisational and individual members to transform society. Our work sits under three pillars. We will Connect, Campaign and Champion women so our vision is realised. This consultation response is submitted on behalf of our Make Care Fair Campaign.

Below we have set out our responses to the consultation questions that are relevant to our visions.

Governance

2. What examples do you have of decision-making processes or guiding principles that could be used across public, private and third sectors to plan for and ensure a just transition?

We were part of the Mainstreaming Equality and Just Transition Evidence Panel, which served as a pilot on how the Welsh Government could address the changes to education, skills, training, and working practices that the transition to Net Zero will bring through an equality lens.¹ The report presents a range of recommendations for solutions, road-testing and monitoring that address existing inequalities and avoid their reproduction as part of a just transition. The tested equality mainstreaming approach and suggested actions should become central to the Welsh Government's just transition policy in skills and employment and beyond.

The Panel considered evidence that past transitions have widened labour market inequalities and anticipates that the same inequalities will be reproduced in the transitions to Net Zero unless we make sustained efforts to mitigate this.

Beyond the labour market, the rising economic and social pressures from global heating, including rising fuel and food prices, extreme weather events and mass migration cannot be underestimated.² This will disproportionately affect those already impacted by inequality, poverty and discrimination while at the same time growing support for far-right populism, threatening the very fabric of our society. In this context, action to tackle climate change and inequality need to go hand in hand – reducing emissions is crucial to safeguarding equality and wellbeing of current and future generations, while strengthening Wales' equality and human rights protections is key

¹ Parken, A., MacBride-Stewart, S., Ashworth, R, and Minto, R. (2023). *An Equal and Just Transition to Net Zero: Findings from the Mainstreaming Equality Evidence Panel*, Cardiff University research report, forthcoming.

² McGuire, B. (2022). Hothouse Earth: An Inhabitant's Guide. London: Icon Books.

to ensure our civil society is as just and resilient as it can be when meeting those rising pressures.

To help anticipate and mitigate these impacts, we encourage the Welsh Government to make every effort to roll out processes like equality mainstreaming and gender/equalities budgeting across the public, private and third sector.

3. Do you have any evidence on how we can best fulfil the public sector equality duty in pursuing a just transition?

The public sector equality duty requires public authorities to consider how their policies or decisions affect people who are protected under the Equality Act. To anticipate the impacts as much as possible, the Welsh Government needs to include people with different protected characteristics in plans for a just transition, including 'experts by experience' and the third sector organisations who represent them.

In addition to consulting on and co-producing plans for a just transition where possible, the Welsh Government should consider a range of evidence on the likely impacts of different pathways to net zero transition on people with different protected characteristics. This should include:

- Research on past transitions, which shows a tendency to entrench and reinforce existing inequalities and can help identify mitigating factors³
- Research on the likely impacts of the transition on people with different protected characteristics in Wales, such as Chwarae Teg's <u>Towards a Gender</u> <u>Equal Wales: Responding to a Transforming Economy.</u> As part of this, the Welsh Government should proactively identify any gaps in the existing evidence base and commission relevant experts to fill these.

Impacts and Opportunities

4. What evidence do you have on the main impacts and opportunities associated with meeting Wales's transition to net zero? Please provide evidence (or identify evidence gaps) for the short (2022 to 2025), medium (2026 to 2035) and long term (2036 to 2050).

There is a growing evidence base within and beyond the UK that investments in the care sector provide a key opportunity to further equality and net zero transition targets at the same time. A list of key publications is included below:

UK Feminist Green New Deal

A Green and Caring Economy Report

A Green and Caring Economy Key Messages

³ Parken, A., MacBride-Stewart, S., Ashworth, R, and Minto, R. (2023). *An Equal and Just Transition to Net Zero: Findings from the Mainstreaming Equality Evidence Panel*, Cardiff University research report, forthcoming.

A Care-led recovery from Coronavirus

Key points from the research:

- The average job in health and care produces 26 times less greenhouse gas emissions than a manufacturing job, over 200 times less than an agriculture job and nearly 1, 500 times less than a job in oil & gas
- Investment in early education and childcare creates 2.5 times the number of jobs as the same investment in construction and yields greater tax returns to the Exchequer. It also leads to reductions in spend on social security benefits as it enables more parents usually women to work more hours.
- Investment in care also has a greater multiplier effect on other sectors in the economy, spurred by the expansion of the care sectors and thereby increasing the disposable income of more families.
- Compared to similar investment in construction, investments in care would generate a vastly higher number of jobs for women while creating a similar amount of jobs for men 6.3 times as many jobs for women and 10% more for men.

Further policy papers:

- A shorter working week as part of a green caring economy
- Labour Market Changes for a Green, Caring Economy
- Revitalising Local Communities
- Feminist Green New Deal Draft Roadmap

Health and Social Care Alliance Scotland

Reports from Scotland's Climate Action and the social care collective roundtables

European Commission

A European Care Strategy

UN Women

Putting care for people at the centre of a sustainable and just economy

Century Foundation (US based think tank):

Care Infrastructure Is Key to an Equitable, Green Recovery from the COVID-19 Crisis

5. Do you have any evidence to show what the well-being benefits and challenges for each sector could be?

The care sector forms an invisible network that is key to well-being in Wales. Its importance will only increase over the coming years as we face continuing pressures on the NHS and challenges around meeting the needs of an aging population. The Inequality in a Future Wales report identifies care as a key area for action and recommends prioritising a care-led recovery in the transition as an approach for making care a joint responsibility that meets the needs of a changing demographic.

There are significant risks and challenges associated with missing this critical opportunity to prioritise care. Climate change will lead to rising prices for food and fuel. In our current cost of living crisis, we are already seeing a twofold impact of this on

people's ability to access childcare: the costs of childcare are going up as providers are struggling to remain financially sustainable, while real wages are declining at a record rate, meaning fewer and fewer people are able pay for childcare. This means more parents (and mainly women) will be forced to quit their jobs or reduce hours to look after their children, which reduces their income and contributes to labour shortages.

Without decisive government investments into childcare and social care, which recognise their importance as critical infrastructure, this trend will worsen under the rising costs of climate change. This would not only contribute to inequality and poverty, thereby undermining efforts to make this a *just* transition. It would also contribute to skills shortages and gaps in priority sectors for the net zero transition, as fewer people will be able to work due to being unable to access affordable, high quality childcare and social care services for their loved ones. For instance, the Evidence Panel report highlights that a number of surveys show that young people, particularly young women want to work in 'green' jobs.⁴ But with an increasing inability to afford childcare, many will be unable to do so.

6. What evidence do you have on how the transition in one sector may either accentuate or diminish a risk or opportunity in another sector?

As discussed above, recognising childcare and social care as priority sectors in the net zero transition would diminish risks around skill shortages in other priority sectors and protect more people from poverty. It should involve strategic government investment in the childcare and social care sector with improved pay and conditions and better career progression pathways for staff. This would also tackle inequality as the care workforce is around 80% female, with Black, Asian and minority ethnic women overrepresented in the lowest paing, most insecure roles.

A failure to do so would accentuate these risks, it would put those who rely on affordable childcare and social care at higher risks of poverty, and it would reproduce existing inequalities as the high-emitting priority sectors are dominated by white men.

8. What evidence do you have on the equality impacts of the transition? Where is there existing disparity which could be addressed via transition? What are the risks which need to be managed?

In order to anticipate the equality impacts of the transition, the consultation document rightly acknowledges the need to mitigate the impacts on those who are already more likely to experience poverty and inequality, and identifies key groups such as ethnic minority groups or disabled people, who have a poverty rate of 32%.

The documents also rightly recognised the importance of social infrastructure, to which the childcare and social care sector is key, in ensuring resilience of our society and economy. But the document does not fully explore the links between care work,

⁴ Parken, A., MacBride-Stewart, S., Ashworth, R, and Minto, R. (2023). *An Equal and Just Transition to Net Zero: Findings from the Mainstreaming Equality Evidence Panel*, Cardiff University research report, forthcoming.

inequality, and poverty and thereby fails to identity those with unpaid caring responsibilities, the majority of which are women, as a key group at risk of poverty.

Research consistently shows that a lack of affordable, accessible child and social care drives people into poverty and keeps them there. This can be seen most clearly from the fact that 46% of Welsh single parents live in in poverty (86% of these are mothers), or the fact that one in seven unpaid carers rely on food banks.

To tackle poverty in Wales alongside the rising prices that we are likely to see as a result of climate change, a robust childcare and social care sector that provides affordable, high quality services to all who need them is crucial.

9. What evidence do you have on who is likely to be most affected by the transition?

See response to Q8 above.

10. Who are the key actors, governance, regulatory/policy, and technological drivers and inhibitors for transition of each sector?

We believe that a sustained cross-government commitment is needed in order to harness the potential of investing in care as part of a just transition to net zero. As detailed above, the opportunities and challenges fall across a range of different portfolios, including the economy, climate change, and health and social care.

Support for Just Transition

12. What evidence do you have that demonstrates the role of finance and/or social infrastructure in facilitating or delivering a just transition?

As acknowledged in the consultation document, social infrastructure - most notably the childcare and social care sector - is key to social and economic resilience. As the research outlined above shows, investments in care are in line with the commitment to net zero as care is already relatively low carbon – it is relational work that requires no huge procurement element or energy inputs. This is not to deny the potential to further reduce the care sector's emissions, e.g. through buildings and transport. But it highlights the need to invest in social infrastructure alongside decarbonising our physical infrastructure if we are to deliver a just transition.

There is huge potential in the role of the care sector in delivering a just transition in Wales. Wales has a high percentage of people already employed in the public sector. If we strengthen that sector and improve pay and conditions, it will improve the robustness of the sector and allow more people to move from polluting jobs into high quality care jobs. Research commissioned by the UK Women's Budget Group shows that a society that has a higher proportion of people employed in care is greener and that a well-cared for society is healthier and has better well-being, which will reduce long term costs. A focus on social infrastructure will become increasingly important to mitigate the social impacts of climate change, such as illness, injuries and mental health problems, which are likely to impact a larger proportion of society.

The evidence suggests that investments in the care sector, encompassing both childcare and social care, would also help address the cost-of-living crisis through lifting those who have been worst affected, including care workers in low-paid, insecure employment, women with unpaid caring responsibilities, disabled and older people out of poverty. It would deliver part of a well-being economy, in line with the Well-being of Future Generations Act, and reduce long-term costs through improving general well-being and reflect core principles of the Social Services and Well-being Wales Act

13. What evidence and information is there across Wales to identify and develop required net zero skills? / 14. What evidence is there to demonstrate the additional support and information needed to identify and develop required net zero skills?

The report of the Mainstreaming Equality and Just Transition Evidence Panel and Chwarae Teg's research referenced above provide an excellent overview of these issues relating to women, people with other protected characteristics and those experiencing intersecting discrimination.

15. Are there any particular gaps in supporting a just transition?

As research by <u>Chwarae Teg</u> and others referenced above has highlighted, many green economy plans overlook care entirely. This presents a significant omission and risk that needs to be mitigated urgently.

16. What evidence do you have to show effective involvement of people, communities and organisations to enable their participation in developing and implementing a just transition? Including, enabling participation that fully represents the perspectives of diverse communities in Wales and specifically those with protected characteristics?

Last September, WEN Wales held a WEN Café in collaboration with the Women's Environmental Network, who delivered a range of <u>Feminist Green New Deal</u> grassroots workshops across the UK to ensure more participation from voices often not included in decision making. These workshops have fed into the Women's Environmental Project's <u>final report</u> with Women's Budget Group.

Thank you for the opportunity to contribute to this consultation. If you have any further comments or queries, please get in touch.

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