

Discussion Report 4

23rd MEETING - NATIONAL ECONOMIC FORUM: 4 DECEMBER 2019

DISCUSSION REPORT: The Climate Emergency and the Skills Challenge

Host: Paul Wheelhouse, MSP, Minister for Energy, Connectivity and the Islands

Facilitator: Jamie Brogan, ECCI

Scribe: Anne Black, Skills Strategy Team, Scottish Government

Summary

A candid discussion took place about the need for leadership, innovation and change Skills to drive the transition to a net zero economy and realise the opportunities to meet the Government's priorities in relation to inclusive economic growth.

Introduction and Background

The Minister for Energy, Connectivity and the Islands opened the session by reminding everyone present of the scale of the challenge facing the country. We are looking at industrial decarbonisation, we need to be energy efficient, we need a flexible and agile skills system that can respond to the upskilling and retraining demands that will support our transition to a low carbon economy.

Jamie Brogan (facilitator), set out the background to the discussion. He reinforced the message, that the Climate Challenge is huge but the challenge will bring opportunities for people, business and the economy.

He posed the following questions to the delegates to aid the discussion:

What opportunities do you see for your business in proactively responding to the climate emergency?

How well equipped do you think your business is to respond to the climate emergency?

There was consensus that if we are genuine about an inclusive economy which has a focal point particularly within the circular economy, then the human element is as crucial as the environmental elements. A quadruple bottom line will help with this. There is no doubt that we will need to upskill, reskill & apply new skills to the coming changes in industry & society. We should also focus on the key skills we already have nationwide to transition from declining or slowing industries into our new emerging industries. A few points to note:

- General consensus that our businesses and our wider economy do not currently have the knowledge and skills they need to respond effectively
- Delegates agreed there were issues with an aging workforce, one sector will have to replace 70% of its current workforce in the next five years.
- Dependency on migrant labour, sectors need to work together, and outside of siloes - how do we do this better (missed opportunities in the past)
- People don't understand that Climate Change will change their lives.

- Workforce and educators need reskilling and meta skills - to be flexible over career
- Don't focus on just construction jobs but long term sustainable jobs in the industry

Does your organisation have the skills and knowledge it needs to realise the opportunities and respond to the challenges?

What do you think are the key skills and knowledge requirements for your organisation in the context of a climate emergency?

Businesses agreed they had critical learning and development needs, in particular in building underpinning knowledge and awareness around climate impact across their business, if it is to be factored into future business decisions.

Some delegates agreed that the skills transition could be delivered relatively quickly in technical roles in key sectors if the skills system was flexible and responsiveness – they needed short transition courses.

Strong meta-skills will become more important to realise the transition to a low carbon economy – in particular skills in social intelligence, enabling change, and the implementation and adoption of innovation.

There was specific discussion about the challenges facing rural communities, things cost more. Orkney was mentioned as an example of people transitioning from a declining fishing sector to new energy provision, heat pumps. Fishermen bringing new skills home from Norway. This prompted further discussion:

- There needs to be more collaboration – Place based approach
- multi-disciplinary, we all need skills at all levels in a business – good leadership is key.
- Behaviour change - inform whole workforce - what skills they need.
- how are we measuring our progress, a wellbeing economy, new skills in economics and what we need to measure.
- people don't understand that Climate Change will change their lives
- We need a behaviour change, focus on the journey to net zero for children.
- Lifelong learning is critical.
- Make more use of the third sector skills provision they can provide the agility needed.
- Rural delivery is a real challenge.
- There is a lot of superficial advice re carbon storage, more training on carbon capture and storage,
- Most funding is for SME's, large firms need loan-funding, perhaps a role for SNIB.

Can you identify any clear skills gaps? These may be specific operational or technical skills, or more connected to leadership, change and innovation? Are there any specific skills interventions you think would most help your organisation?

Delegates mentioned the need to ensure any new training provided had industry recognised qualifications, and that these qualifications should be recognised across sectors. Others points of interest:

- There may be more significant gaps in knowledge and awareness rather than skills
- There are Opportunities for a quick skills transition in some professions
- there's a need for Flexible programmes to support accelerated change.
- There is competition for skills in migration and for young people - how do we make industries and sectors more appealing.
- Meta skills vital – human skills and creativity will make a change
- Graduate Apprenticeship programme should be increased
- Tax incentives and innovation vouchers with SFC to employ graduates.
- Specific tax incentives for low carbon skills would support businesses to invest in this area
- There is a specific need to develop the skills and knowledge of the business adviser community if they are to support businesses effectively, drive change, and prioritise public resources to support the climate emergency.
- If climate impact is to be factored into all future business decisions, core knowledge and awareness must be embedded across our economy
- Core knowledge will underpin specific technical skills requirements in key industries

Closing Comments

In his summing up The Minister for Energy, Connectivity and the Islands commented there was a lot to be done, and Government can't do it in isolation, everyone has a part to play, and he touched on a few points from the discussion

- Business need for demand and strength of pipeline
- Finance and procurement - think differently about asset valuation
- Working collaboratively - outside of siloes - how to do this better
- Capture opportunities like Electric Vehicles
- Low carbon behaviour framework - developed for SG - business to adopt?
- Planning - peatlands instead of forestry
- Young people - Climate 2050 group - and how we teach economics
- Individual social material triggers (for procurement and investment decisions) - triple/quad bottom line
- Manage transition - use govt funding creatively to support growth of local supply chains
- Tax incentives - influence UK ministers

He thanked delegates for their contribution.

Scottish Government
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