

# Green Collar Britain

## Parliamentary event on Green Jobs and Skills

Hosted by Gordon Marsden MP

Supported by British Gas and the GMB



Houses of Parliament

2<sup>nd</sup> July 2009



# Green Collar Britain

## Contents

<b>A Green New Deal</b> .....	<b>3</b>
Gordon Marsden MP, Chair of the Associate Parliamentary Skills Group	
<b>Investing in Skills</b> .....	<b>5</b>
Paul Kenny, General Secretary, GMB	
<b>British Gas Apprenticeships</b> .....	<b>7</b>
Alan Johnson, Director of The Energy Academy	
<b>Future Green Jobs in Britain</b> .....	<b>9</b>
Phil Bentley, Managing Director, British Gas	



# Green Collar Britain

## A Green New Deal

Gordon Marsden MP, Chair of the Associate Parliamentary Skills Group



Recession compels Government, trade unions and employers to take stock of our skills base, and to focus on the new learning opportunities required to meet the needs of the UK's future economy. This is about both supporting workers now, and also preparing everyone for the eventual economic up-turn.

New industries and new technologies can provide financial stimulus to kick-start our economy and offer new employment opportunities for workers with the right kind of skills. The UK has the entrepreneurial know how to help lead in manufacturing solutions for a low carbon economy which the Government will need to encourage. The growth in new low carbon technologies could create at least a million jobs in the

green economy by 2030. This ambitious target should not be shelved.

Research conducted by the All-Party group for Skills, which I chair, shows that the green economy is not simply a new segregated part of the economy: traditional areas of the economy are also gradually 'greening'. An employee may be responsible for promoting recycling or waste reduction across their organisation, or training may be offered to housing association tenants to make the most out of new energy saving measures. There is also a far wider range of individuals who can benefit from such initiatives, industry workers in their 40s and 50s looking to re-skill and others in middle age, especially women, looking to return to work. With the Government target of a 35 per cent cut in carbon emissions by 2020, innovative approaches to re-skilling the workforce to meet our environmental commitments will need to be considered. We should expand the tremendous success of Union Learning representatives and the Union Learning group into environmental advocacy and green awareness in the workplace.



The growth in new low carbon technologies could create at least a million jobs in the green economy by 2030.

# Green Collar Britain

An accessible and well-resourced apprenticeships programme, together with strong onward progression routes for those workers completing them, will be an essential part of providing a skilled workforce for the new low carbon economy. The Government has announced £140 million of additional funding to support apprenticeships in 2009. Any proposed cuts to future budgets would put that investment in jeopardy and risk surrendering the green dividend of economic upturn.

In March the Government published its 'Low Carbon industrial Strategy' which welcomed a new focus from employers on meeting the needs of the new low carbon economy. The commitment from British Gas to create up to 3,200 new roles, including at least 1,000 new apprenticeships, many in areas of the low carbon economy, is a vital step in helping to create a Green New Deal for the UK, and to prepare the economy for a fresh-start when the up-turn arrives.

## Case Study: Angela Dixon



### **37, Castlemilk, Dumfriesshire**

Angela worked as a florist before deciding she wanted a career change. The apprentice scheme appealed to her as she found working with the group motivating. Angela has enjoyed great reactions on the doorstep and has also had the fortune of finding love with another apprentice.

# Green Collar Britain

## Investing in Skills

Paul Kenny, General Secretary, GMB



These are anxious and difficult times for the working people of Britain. GMB has members employed in every sector of the economy, many of whom are reeling from the effects of the current recession. They are looking for signs of vision and leadership from Government, industry and politicians to help secure the future for them and their families.

I believe that this is a time for bold decision-making. As steps are taken to turn the economy round, we need the imagination to take tough decisions and invest in long-term projects that will deliver real skills, jobs and opportunities for future prosperity.

One of the cornerstones of economic recovery will undoubtedly lay in the growth of “green” jobs. If the UK is to meet its commitment of a 35% reduction in carbon emissions by 2020, this means that important steps must be taken now to deliver the type of jobs required, and ensure adequate skills and training provision to support the development of these new jobs.

That’s why GMB welcomes the recent announcement by British Gas of 1,700 new jobs, in addition to the 1,500 new jobs announced earlier in the year, which includes at least 1,000 apprenticeships, as part of British Gas’s £30 million investment into training and skills. With many of these representing new “green” jobs, from energy efficiency to renewables technology, British Gas is leading the green collar revolution and blazing the trail that other far-sighted employers will need to follow.

Improving energy efficiency is particularly vital to achieving a reduction in our carbon emissions. This is where Government can play an important part, by building upon the success of the innovative “Warm Front” programme and introducing other schemes to upgrade the energy efficiency of homes throughout the UK. However, we must also learn some lessons from the experience of Warm Front, which unfortunately has shown little evidence of attracting contractors with a good track record of investing in their workforces. Yet for the elderly and vulnerable, trust and confidence in the skills and reliability of those they let into their homes to carry out work is of paramount importance.

Well-established companies like British Gas have standards to maintain and reputations to protect. They invest in apprentices and equip their trainees not only with technical knowledge, but with the personal, communication and social skills necessary to put customers at ease whilst they get on with the job. GMB believes there is a compelling case for recognising and

# Green Collar Britain

rewarding those companies that do provide apprenticeship schemes. Government should ensure that in future, contracts for similar work to the Warm Front scheme are awarded to dependable companies that invest in skills and training, like British Gas. If we are serious about developing a successful skills-based green collar economy, there is simply no room for contractors that lack commitment towards their customers and workforce.

GMB welcomes the Government's introduction of legislation which, for the first time, will put the apprenticeship programme on a statutory basis. This should help to ensure that apprenticeship schemes meet the needs of individuals and employers, and deliver comprehensive programmes of vocational and academic training of the highest quality. We look forward to engaging with employers on the details of these schemes, a task that would be achieved more effectively if Government granted trade unions statutory rights to collective bargaining over training and skills, which is why we will continue to lobby forcefully for such essential rights.



British Gas is leading the green collar revolution and blazing the trail that other far-sighted employers will need to follow.

I believe passionately that unions, employers, skills councils, training providers and Government have a responsibility to work together to deliver a world class apprenticeship programme that we can all be proud of. The imperatives of tackling climate change and strengthening the UK's capacity to fight the effects of the global recession mean the need to create opportunities for skilled green collar employment has never been more pressing.

## Case Study: Kirk Chacha



### 27, London

Ex-milkman who applied for an apprenticeship because he wanted to ensure he had a good job and skills for life.

# Green Collar Britain

## British Gas Apprenticeships

Alan Johnson, Director of The Energy Academy



British Gas is the largest single employer and trainer of domestic gas engineers in the UK. The company currently has a workforce of 10,000 gas servicing, repair and installation engineers, as well as electricians and plumbers, trusted by customers to look after their world.

The Energy Academy was set up in 2003 in response to the company's need to recruit 5,000 new gas engineers over the following five years.

The Academy has delivered exceptional success with retention rates at 96% for those recruits who join and remain in training through to completion, the highest rate of success in the industry. Furthermore, 90% of apprentices are still with the company after five years..

In the next two years British Gas is investing £30 million per annum in skills and aims to train at least 1,000 new apprentices. The cost to train an apprentice is £30,000 including funding. British Gas' investment has also helped to fund two new academies in Leicester and Scotland, which opened earlier this year. The other academy locations are in Dartford, Thatcham and Leeds. The academies have been individually designed to combine traditional classroom facilities with state of the art equipment and technology, all housing over 200 types of gas appliances.



Despite the economic slowdown, British Gas continues to invest in the skills of its employees.

British Gas has recently extended the apprenticeship from a year to eighteen months. All apprentices are trained to NVQ level 3 to achieve a high standard and our apprentices have a completion rate of 96 per cent, compared to an industry average of 60 per cent. All apprentices complete the prestigious Duke of Edinburgh Gold Award as part of their training, building the character of the trainee & teaching customer skills.

All apprentices receive energy efficiency training to ensure they are aware of new boiler technology and gain an understanding of how to communicate simple energy efficiency saving measures to customers.

The company is also working to increase the number of female engineers and over the last two years it has trebled the numbers from 4 per cent to 13 per cent of the total workforce.

# Green Collar Britain

Our engineering academies receive 50 applications for each position. Key to British Gas is to recruit new trainees, not just on the basis of their work experience and qualifications but also on their attitude and enthusiasm. Current trainees come from a variety of career backgrounds, including an Astrophysicist, a milkman, a former professional footballer, as well as a father and son in training together.

Despite the economic slowdown, British Gas continues to invest in the skills of its employees. We strongly believe that our business is a long term growth industry. With an increasing push for energy efficiency, we must have a workforce that has the skills required to understand the needs of our customers. This is in a field where often the customer themselves does not fully understand or know what they need, but count on British Gas experts to assist. Our apprenticeship programme allows our engineers to be able to give customer advice beyond simply what is wrong with their boiler, but more widely on what else they can do to reduce their energy use.

## Case Study: Partab Singh



### 18, Cardiff

Partab Singh is from Cyncoed, Cardiff and is four months into an 18 month apprenticeship. He chose to apply for the apprenticeship to ensure a stable future, which he felt he could achieve with a household name like British Gas. He has particularly enjoyed taking part in the Duke of Edinburgh scheme as this has taught him about teamwork and values and put into context the technical skills he has been taught. He recommends young people to apply for the apprenticeship to benefit from its variation, positivity and fun.

## Case Study:



**Prime Minister, the Rt Hon Gordon Brown MP**, presenting an award to the “British Gas apprentice of the year” Adam Grimes at the opening of the Leicester Energy Academy, July 1<sup>st</sup> 2009

# Green Collar Britain

## Future Green Jobs in Britain

Phil Bentley, Managing Director, British Gas



As Britain's biggest energy supplier, British Gas is leading the way in making Britain's homes the greenest in Europe, helping its customers to reduce their domestic energy consumption by improved home energy efficiency and in decarbonising the power we produce.

Climate change and the drive for a low carbon economy is a critical challenge for government, but it's also a distinct business opportunity.

In the short term, the "green" economy aids economic recovery by providing important jobs and investment in new infrastructure. Also, energy efficiency measures save money, energy and carbon emissions, which benefit the economy as a whole. In the longer term, by supporting these investments now, the UK will be well placed to lead a global revolution in our energy production and consumption that meet environmental and security of supply goals. That is why British Gas as one of the few remaining British companies in our industry, is leading the way in investing in "Green Collar Britain".

On the capital investment side, British Gas is at the forefront of developing greener energy. We have invested £350m in developing the world's largest windfarm off the coast of Lincolnshire, and have invested £2.3bn in Britain's low carbon nuclear future. The Government's recent announcement to temporarily support new offshore windfarms during the downturn will open the door for substantial new British Gas projects to go ahead.

And new nuclear investments could mean between 10,000 and 15,000 new jobs over the next 25 years, in addition to the permanent roles created for each station's 40-60 year operating life. We welcome the Government's proposals to streamline the planning and licensing systems including the introduction of the Infrastructure Planning Commission, but it is important that progress in delivering these programmes continues so that new nuclear can be built to the timescales necessary. Key to investment in this area is certainty and clarity of the regulatory regime.

In Britain's homes, over 1.3 million customers have trusted British Gas to install energy efficiency measures in the past five years, saving energy and cutting bills and carbon emissions. In that time, we have supported the delivery of over 100m energy efficiency products, including the insulation of more than 1.3m homes. The investments we have made, and will continue to make, in the skills of our workforce through our apprenticeships programme, will remain key to delivering efficiently and effectively.

# Green Collar Britain

But as the easy energy efficiency opportunities are exhausted, more expensive and sophisticated measures will need to be installed including many different forms of microgeneration and smart meters, to help customers manage their energy use. We need a whole-house approach so that if one measure is being installed, such as a smart meter, there is also an opportunity for other improvement to go in at the same time. A joined up approach is required to ensure that the up-scaling of energy efficiency roll out is a success.

Over the next three years, we expect to commit £1 billion to making British Gas customers' homes more energy efficient – and that's in addition to the £250 million we are spending to directly support those households most struggling with their energy bills.

British Gas is building a business to meet this challenge. We have a dedicated energy efficiency business unit, and through our training academies we are building the skills required for a joined-up approach to providing homes with energy solutions. We believe that suppliers must lead on the rapid roll out of smart meters via a central communications model as favoured by the Government's recent consultation. We are working hard to ensure our installers will have the skills and knowledge to offer customers advice on what else they can do to cut energy use in their home. This will involve the creation of 1,700 new jobs in addition to 1,500 announced earlier.

New technologies, such as microgeneration in the home, must be supported by the development of an appropriate Feed-in Tariff and Renewable Heat Incentive, making the financial case more appealing to our customers and thus enabling the growth of a multi-billion pound industry. These low carbon technologies could be developed, manufactured and installed here in the UK. Energy suppliers will be able to offer innovative and flexible packages to meet the energy needs of consumers' home and financial packages to make green homes more financially viable as well.

It will be competitive markets that will drive the growth of the green economy. To remain competitive and effective within this market British Gas will continue to invest in new industries, new workforces and new skills, playing a significant role in the growth of green collar Britain.

The 3,200 new jobs announced by Britain's leading energy supplier, British Gas, this year could be just the beginning of Britain's "Green Revolution."



The 3,200 new jobs announced by Britain's leading energy supplier, British Gas, this year could be just the beginning of Britain's "Green Revolution."