

Why Net Zero is Good for the Economy and Health

By Gordon James for Pembrokeshire Friends of the Earth, September 2025

Net Zero means cutting greenhouse gas emissions so that no more are added to the atmosphere. The world's leading climate scientists - the Inter-Governmental Panel on Climate Change (IPCC) - have stated that this needs to be done by mid-century to avoid catastrophic climate change. [1]

The UK has set a target of achieving Net Zero by 2050 and over 100 other countries have set their own targets.

Despite clear evidence that damaging and costly extremes of weather are increasing in line with the predictions of climate scientists, there is a campaign of misinformation to discredit Net Zero. Leading players in this dishonest game are Reform UK, the Conservative Party and sections of the media. Some of these have links to the fossil fuel industry. [2, 3]

THE ECONOMY

Opponents of Net Zero claim that it is harmful to the economy. [4, 5] The evidence demonstrates that this is untrue.

A report by the **Confederation of British Industry** concluded that the Net Zero economy has become a powerhouse of job creation and economic expansion with growth over 10% since 2023. It stated that, in 2024, there were 22,800 Net Zero businesses supporting 273,000 jobs and pumping £28.8 billion into the economy. When supply chain activities are factored in, the sector's economic impact skyrockets to £83.1 billion, supporting nearly 951,000 jobs across the UK. Even better, Net Zero jobs are 40% more productive than the national average, with wages 15% higher than the UK norm. [6]

Responding to Kemi Badenoch's U-turn on Net Zero, the CBI said, "now is not the time to step back from the opportunities of the green economy".

In January, the **Government** announced plans to invest in green skills by training thousands of people in four areas in the UK. Pembrokeshire is one of the four. [7]

The **Conservative Party Energy Secretary**, Chris Skidmore, concluded in his Government's Net Zero Review (2023) that Net Zero presented a significant economic opportunity for the 21st century. [8]

Energy UK has listed many economic benefits of Net Zero, such as:

- The Net Zero economy could be worth up to £1 trillion in the UK by 2030. That's around one third of the value of the UK's economy today.
- The Net Zero economy is 1.7 times more productive than the UK national average in terms of Gross Value Added (GVA) per employee.
- In 2022, exports from the UK's low carbon and renewable energy economy amounted to £10.2 billion.

- Low carbon investment must scale up to £50bn each year between 2030 and 2050 to deliver Net Zero, the majority of which will come from the private sector. This investment will generate substantial fuel savings, and in time, these savings will cancel out initial investment costs entirely.
- Since 1990, the power sector has reduced its emissions by around 79%. At the same time UK GDP has grown by 75%. [9]

Energy UK also pointed out that “it’s the volatile cost of fossil fuels and our dependence on them that have driven up energy bills for customers”. The U.K.’s electricity prices are almost entirely dictated by the price of gas.

More information on how gas is responsible for high electricity prices can be found in this publication from Carbon Brief: *Why expensive gas - not Net Zero - is keeping UK electricity prices so high*. (10)

The **Climate Change Committee** report in February concluded that the transition to Net-Zero would cut average household energy bills and motoring costs by £1400 by 2050. [11]

On 25th June, in its 2025 progress report to Parliament, the Climate Change Committee stated that by pursuing Net Zero, the UK would transition to a predominantly home-grown energy supply system powering modern, efficient, electric technologies which will reduce household bills, increase energy security, and improve air quality. [12]

The **Office for Budget Responsibility** has stated:

“The sooner we act on climate change the lower the costs will be. Globally, the costs of failing to get climate change under control would far exceed the costs of bringing greenhouse gas emissions down to Net Zero.” [13]

It is worth noting that many of the U.K.’s current fossil fuel imports come from countries who don’t share our values, and Russia’s invasion of Ukraine in 2022 is just one example of how our energy security is threatened by our overdependence on fossil fuels. The National Energy Systems Operator has stated that the shift to clean power would leave the UK “much less reliant on energy imports for power and far less exposed to fluctuations in international gas prices”.

CLIMATE CHANGE COSTS

The costs of failing to bring climate change under control considerably exceed the costs of cutting climate changing emissions.

The **International Chamber of Commerce** has estimated that extreme weather has cost \$2 trillion globally over the last decade. [14]

One of the world’s leading insurance companies, **Allianz SE**, has issued the stark warning that the climate crisis is on track to destroy capitalism with the vast cost of extreme weather impacts leaving the financial sector unable to operate. [15]

The **Office for Budget Responsibility** concluded in 2021 that, “Unmitigated climate change would ultimately have catastrophic economic and fiscal consequences”. [16]

In January this year, the conservatively minded **Institute and Faculty of Actuaries** warned that, “The global economy could face a 50% loss in GDP between 2070 and 2090 unless immediate policy action on risks posed by the climate crisis is taken”. [17]

Recent research has shown that this summer’s extreme weather will leave a €126 billion dent in the EU’s economy. [18]

HEALTH

The **Lancet**, one of the world’s leading medical journals, has said that climate change is the greatest global health threat facing the world in the 21st century and has emphasised the potential for substantial health benefits from net zero. [19]

Research by **Imperial College London** concluded that there would be significant health benefits from pursuing net zero policies:

“By 2060 the economic gains from fewer deaths would amount to £26bn-£31bn. New evidence meant they were also able to estimate gains from less illness too; around £20bn adding to the economic benefits from net zero.” [20]

The **New Scientist** reported in January this year that there would be an estimated 2.3 million temperature-related deaths in Europe’s main cities by 2099, without more action to curb climate change and adapt to its effects. [21]

A report just published by the US Academies of Sciences, Engineering and Medicine shows conclusively that human-caused emissions of greenhouse gases and resulting climate change adversely harms the health and welfare of people. [22]

And despite almost daily attacks on the science of climate change and Net Zero in the right-wing media, a recent detailed opinion poll showed that 74% of people in UK considered climate change to be important and 48% considered Net Zero to be good for the UK compared to 16% who considered it to be bad for the UK. [23]

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