

“Green jobs”, the Labour Market, and the ILO

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Converting to eco-friendly economic activities as an instance of induced economic restructuring

- Policy / regulation-driven on the one hand
- demand-driven on the other – through how product markets respond to consumer awareness

“the solutions we come up with in the context of the Bali Road Map need to significantly increase the extent of adaptation to reduce vulnerability, stop the increase of global emissions within the next 10-15 years, dramatically cut back emissions by mid-century at the latest, and do so in an economically viable way”

Economic restructuring and the labour market

- Restructuring has implications for the quantity, quality, and location of jobs

The quantity of jobs

- Implies a higher rate of job loss and job creation: example, what will GM do?
- Most estimates relate job consequences indirectly through estimates on the growth of GDP, e.g. the Stern report
- Most estimates posit a higher degree of labour intensity of energy efficiency mitigation

Some sector examples

- Energy efficiency (the built environment)
- Renewable energy
- mobility: mass transportation
- Recycling and re-use (induced also by commodity prices and scarcity)
- Sustainable use of natural resources
- Environmental services

Energy efficiency

- Buildings are typically 30-40 percent of total energy demand
- Germany has largest building efficiency renovation program. An estimated 1 billion euros invested in building stock saves or creates 25,000 jobs

Renewable energy

- Wind, solar thermal, and photovoltaic, as well as geothermal and bioenergy
- Estimated 2.2 million jobs in equipment manufacturing, half in developing countries already exist
- Investment rising at 20% annually. Estimated 20 million jobs by 2030

Recycling and circular economy

- Commodities limited, expensive, and energy intensive to produce
- EU recycles 50 – 80 % aluminum, paper, glass
- Recycling in China has 10 million jobs

Renewable natural resources

- Role of public procurement and fiscal policy
- India's NREGS focusses on water conservation and afforestation / reforestation

Quality of Labour

- A “green job”?
- “people working in green jobs are contributing their everyday labours toward environmental solutions. Put simply, a green job is one that is contributing to fighting global warming and building a green economy. Train operators who currently deliver furniture may one day deliver wind turbine component parts”...

Issues with the definition

- Not linked solely to climate change
- Not necessarily new occupations – indeed, minority are, so the focus is on “greening” of existing jobs
- Not uniformly a bright, shining “green”
- Not necessarily good jobs or “decent work”

The major challenge of “greening”: supply constraints

- There are new green jobs – e.g. environmental management consulting
- Most green jobs involve the conversion of job content, the way work is performed, and the skills needed for reconversion

Traditional occupations in a greening economy

- Auto mechanics
- Metalworkers
- Glaziers and the range of construction jobs
- Electronic engineers
- Farmers
- Managers
- Distribution

Input/output dynamics

- For every “green job” or “green product” or “green process” there are forward and backward linkages
- The linkages are both occupational, most traditional ones, and sectoral

New skills needed: just one sectoral example from New South Wales

- Renewable energy: 29% annual growth in wind power, 30% annual growth in photovoltaic cells
- The skills implications of this growth involve the following ...

Skills needed

- Construction and installation of solar water heaters
- Production and installation of photovoltaic cells
- Construction and servicing of wind turbines
- Application and distribution of wave power and water technologies
- Alternative energy sources such as the use of bio-mass from food processing plants
- Distribution, logistics, sales, and the knowledge needed to be embedded in these occupations

Demand outstrips supply: supply constraints are the critical issue

- On the product market, distributional impediments loom large
- On the labour market, the unavailability of skills is a critical bottleneck
- The consequence is an impediment to achieving energy efficiency targets.

And, finally, economic restructuring has a locational dimension

- “location” understood in two senses: sectorially, and geographically
- Sectors affected previously discussed
- “hardest hit” for change are livelihoods related to natural resources, e.g. agriculture, fisheries
- Locationally, these sectors correlate with poverty

The Beginnings of an ILO response: the “Green Jobs Initiative”

An initiative in 2007

- ILO with UNEP, the ITUC, and other partners put together a green jobs initiative
- objective: to promote and identify technological innovations, investment opportunities, enterprise and quality job creation potential of sustainable development path
- Will look at adaptation and social protection needs of enterprises and workers
- Will emphasis social dialogue as an essential tool for policy coherence to ensure minimum of social friction and preservation of economic growth

as I said, this is the beginning of
addressing mounting
environmental issues of
profound consequences for
working men and women ... and
for all of us of course