

Article

"Green jobs" update, current and upcoming work: March 2023

An update to our work on green jobs, including a summary of user engagement, our definition, and future work.

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Table of contents

- 1. Overview of green jobs
- 2. Our current position
- 3. Green jobs definition
- 4. Upcoming work
- 5. Provide feedback
- 6. Cite this release

1. Overview of green jobs

Following the <u>Green Jobs Taskforce report</u> in 2021, our <u>"Green jobs"</u>, <u>current and upcoming work: March 2022 article</u> highlighted the importance of green jobs for the UK and outlined the aims and work programme for the Office for National Statistics (ONS) green jobs project. Our <u>"Green jobs" update</u>, <u>current and upcoming work: September 2022 article</u> provided an update.

There is ongoing interest in understanding green jobs in the UK. For example, <u>Mission Zero</u>, <u>Independent Review of Net Zero</u>, recently stressed the importance of green jobs, and related statistics and/or data.

This article provides a further update on the project, including:

- a summary of external engagement
- our definition of green jobs, which we will measure in the future
- details of upcoming work

2. Our current position

We have continued to review the approaches, expectations and <u>challenges of defining and measuring green jobs</u>, supported by a range of research and engagement with stakeholders and users.

This has included our <u>user engagement exercise</u>, an interactive workshop, bilateral conversations with several stakeholders and discussions with the Office for National Statistics (ONS) <u>Economic Experts Working Group</u> (EEWG).

Our focus recently has been on developing <u>our green jobs definition</u>. We have also published the annual <u>Low carbon and renewable energy economy</u>, <u>UK: 2021 bulletin</u>, while our next <u>Environmental Goods and Services Sectors estimates</u> are planned for summer 2023.

User engagement exercise

The ONS undertook a <u>user engagement exercise</u> around measuring green jobs, from 11 August 2022 to 6 October August 2022. This sought users' views on the topic, preferences for definitions, approaches to framing a definition, and preferred breakdowns of future statistics.

Some 107 stakeholders responded to the exercise and we published a <u>response summary: defining and</u> <u>measuring green jobs (PDF, 342KB)</u> on 29 November 2022. Users were clear in their appreciation of the difficulty and complexity of the challenges associated with this project.

Respondents confirmed current and expected uses of green jobs statistics, including:

- growth and investment
- policy
- net zero
- skills
- funding
- the "green" transition over time

From the offered options for definitions, approaches to framing a definition and breakdowns, users confirmed their preferences as:

- the <u>Green Jobs Taskforce</u> definition "Employment in an activity that directly contributes to or indirectly supports the achievement of the UK's net zero emissions target and other environmental goals, such as nature restoration and mitigation against climate risks" 58% of respondents
- an occupation-based framing for statistics 69% of respondents
- geographic breakdowns 49% of respondents

Some preferences varied by the type of user responding. For example, respondents working in the academia sector and business sector ranked job quality as their preferred breakdown of statistics, 79% and 55%, respectively. We also received several comments noting the value of all the options offered and similarities among them. This highlights the need for a flexible approach, including greater granularity of data wherever possible.

User workshop

On 31 January 2023, we held an open workshop to gather feedback on a draft definition of green jobs, and further understand user requirements. Some 111 people attended this workshop, from central and local government, businesses, academia and the voluntary sector.

Participants broadly agreed on the proposed overall definition. There were also detailed discussions around challenges, including the detail of what is covered within a broad definition, how it could be divided into subdefinitions, and which of these were most important. These discussions fed into how we developed our definition, and a number of the challenges and nuances are discussed in <u>Section 3</u>: <u>Green jobs definition</u>.

3. Green jobs definition

Following substantial stakeholder engagement, the Office for National Statistics (ONS) defines a green job as:

Employment in an activity that contributes to protecting or restoring the environment, including those that mitigate or adapt to climate change.

While the Green Jobs Taskforce definition was the most popular with stakeholders, it is important the ONS develops a statistical definition that is not time-bound, is measurable and, ideally, internationally comparable.

This definition is sufficiently broad to encompass a range of green jobs, including those related to decarbonisation and net zero, but also jobs in wider environmental activity.

Developing a green jobs framework

We will now develop a detailed framework to underpin this definition, including the identification of appropriate activities (what the definition does and does not cover) and grouping them into useful sub-categories. Examples of such sub-categories could include net zero jobs or nature jobs.

We will use the approaches set out previously, in our <u>"Green jobs"</u>, <u>current and upcoming work: March 2022</u>, to help frame jobs in green industries, green occupations and green firms. We will use:

- an industry-based approach, including all jobs in a green industry or sector, with industries classified according to activities undertaken in them
- an occupation-based approach, including all jobs that are green regardless of the industry they are in, based on the activities undertaken by workers or the objectives of their work, and
- a firm-based approach, including all jobs in a "green" firm, potentially classifying such firms based on, for example, their level of emissions

These framings will help build our dataset, providing distinct guidelines for measuring green jobs. There will inevitably be some overlap between the framings, and while it is important to estimate the overlap, this is something we will look to develop in the longer term.

Recognising many jobs will not be 100% green, we will continue the practice used with our existing related statistics, of measuring full-time equivalents (FTE). Under this approach, a person working full time for one year would be counted as one FTE. Ideally, we will look at this alongside the absolute number of individual jobs to enable monitoring transition over time.

Our engagement work shows real interest in being able to identify whether individual jobs are neutral or positive in their impact on the environment. This is complex to do: for example, generating electricity using a wind farm would contribute to reducing the UK's carbon emissions, but it may displace local wildlife and so have an adverse impact on nature. Therefore, our estimates will focus on the activities undertaken within jobs, as an extension of our labour market statistics. They will not consider the impact or outcome of individual jobs. These activities, however, will be reviewed at a to-be-determined interval to ensure they can still be classified as green, and allow the identification and addition of new activities.

We will continue to publish and develop the statistics and analysis we currently produce on our <u>Environmental</u> <u>accounts page</u>. We will use these to compare with green jobs statistics where possible, to understand if more green jobs result in better environmental outcomes.

We also appreciate that users are keen to understand the quality of green jobs. This is also challenging to assess and under our definition a job will not be required to be of a certain level of quality to be classified as green in these estimates. However, as we develop our work in this area we will investigate ways of estimating the quality of green jobs.

4. Upcoming work

Short-term work (2023)

In the coming weeks and months, we will be working on the following:

- developing the framework to underpin the definition
- developing a list of keywords to help identify whether employment activity is green
- exploring census data using our identified keywords, to understand whether these appear in job title data reported
- using our Opinions and Lifestyle Survey (OPN) to explore developing estimates of green jobs using the occupational approach
- matching our Annual Business Survey and our Low Carbon and Renewable Energy Economy Survey (LCREE) Survey data to explore whether LCREE jobs are replacing existing jobs
- assessing whether industries with green jobs have higher or lower greenhouse gas emissions, and whether and how this has changed over time
- developing a green jobs article, to be launched in Quarter 3 (July to Sept) 2023, bringing together our research and estimates

Long-term work (beyond 2023)

Alongside these short-term projects, we will be looking to incorporate green jobs questions into other Office for National Statistics (ONS) surveys.

We will also continue to develop our existing estimates related to green jobs, the Environmental Goods and Services Sectors estimates and the LCREE Survey estimates.

5. Provide feedback

We will continue to work collaboratively with users and stakeholders in the development of these outputs.

We welcome your views on ideas for statistics and analysis, identification of gaps, and offers of data and/or expertise to further develop our work. You can send us feedback by email at environment.accounts@ons.gov.uk.

6. Cite this release

Office for National Statistics (ONS), released 13 March 2023, ONS website article, <u>Green Jobs update</u>, <u>current and upcoming work: March 2023</u>.