

Welcome to the fudgy, grey world of green jobs.

Even the Bureau of Labor Statistics, the nation's arbiter of all things jobs, is stumped.

## The many shades of green

*Drawing boundaries around green jobs is a subjective art*

By RONALD A. WIRTZ  
Editor

Imagine reading this job description:

Must have experience in one or more of the following: renewable energy, waste reduction, resource utilization (or nonutilization, really) and environmental sustainability and preservation (inquire within for technical description). Job involves these things either in part or in whole and is either production- or service-based (though we can't tell you which one). If you think you qualify (and you probably do), apply at your nearest state labor information office.

Welcome to the fudgy, gray world of green jobs. While politicians and environmental advocates promote the promise of green jobs, labor economists have been, well, laboring over how to define and count them.

Even the Bureau of Labor Statistics (BLS), the nation's arbiter of all things jobs, is stumped. It's been looking at the green jobs issue for a couple of years now. In 2009, it joined forces with state labor economists on a working council to examine the matter more closely. One of its first tasks was to review what had been done to date.

"The general impression was there was no consensus on the definition of green jobs," said Dixie Sommers, BLS assistant commissioner for occupational

statistics and employment projections. The bureau now is in the throes of a formal, \$8 million study "to identify green economic activity and produce data on the associated jobs."

State labor departments and others are also spending time and money playing definitional catch-up in hopes of getting a better grasp of what green jobs are, and are not. While many jobs might appear green on the surface, a little definitional scratching shows that many have only a green veneer.

Unfortunately, green jobs don't fit well into the hierarchy of traditional job classifications that researchers use to tally employment. Current methods are akin to counting apples using the alphabet. Labor economists are developing methodologies to better bridge this measurement gap, but in doing so, considerable subjectivity seeps in, leaving virtually any methodology open to debate.

### A closer look

The BLS has gone further than anyone to identify green-hued areas of the economy.

"As a statistical agency, we're concerned with measuring standard things. But we want to address what's happening in the economy and what people are asking about," said Sommers. The agency undertook similar efforts when

high-tech and information technology jobs were all the rage a decade ago to determine whether a fundamental transformation was occurring in the economy. "One way to find out is to measure it," Sommers said.

The matter is also important, she said, because green policy and investments are going forward despite the lack of good data. Other data-gathering organizations are looking to the agency for leadership. "We knew that states would be pushed to do their own [green] data collection," Sommers said, and the BLS wanted to have some methodological stakes in the ground to help guide those efforts.

Ultimately, the hope is that the BLS will be able to track total employment and wages for businesses producing green goods and services, and to do so at both the industry and the occupation levels, for jobs like geothermal analyst and solar engineer. In other words, it hopes to track green jobs as accurately as positions in a specific industry or trade.

That's no small undertaking; it requires the agency to first settle on a definition of green. In studying the matter, the BLS states that "the common thread through the studies and discussions is that green jobs are jobs related to preserving or restoring the environment." The agency added that other categories like renewable energy, ener-

gy efficiency, pollution mitigation and natural resources conservation are areas "nearly universally cited" in any study or definition of green jobs.

As a general matter, there might not be much to quibble over. But once this definition is applied to the industrial and occupational world, it quickly turns into quicksand. "It's been an interesting exercise, to say the least," said Sommers. "People have different perspectives on this issue."

The central difficulty with defining green jobs is that the concept of green permeates many occupations in some form, and it doesn't fit neatly into the existing framework the government uses to measure jobs, said Steve Hine, research director at the Minnesota Labor Market Information Office. For example, the federal North American Industry Classification System (NAICS)—a go-to source for occupational data—is production oriented, while much of the green economy (like energy conservation and environmental preservation) is less concerned with the direct output of goods.

So the BLS (and some states studying the matter) has developed a hybrid methodology that combines output and process approaches—in other words, identifies firms that either produce green goods or services directly or use environmentally friendly processes and practices—and then counts associated jobs.



The matter is important because green policy and investments are going forward despite the lack of good data. While many jobs appear green on the surface, a little definitional scratching shows that many have only a green veneer.

In a March issue of the *Federal Register*, the BLS published its definition and methodology and sought feedback. It received 156 comments “all over the map,” said Sommers. Some suggested that the effort and the agency’s definition were on target; others said the agency had no business undertaking such an amorphous study. Still others represented certain constituencies who said, “You should count our jobs as green.”

Ultimately, the BLS took the feedback and revised its definition—though not a lot, according to Sommers. “It’s fair to say that our overall approach is still there. ... We’re not attempting to get a consensus definition.” Instead, the bureau wants a definition it can “operationalize” into a survey of employers, Sommers said.

In some cases, firms and employees covered by the BLS’s definition are pretty obvious, like jobs in renewable energy production. “People agree that’s pretty green,” said Sommers. Then the BLS looks at the share of revenue that a firm (like a utility company) earns from renewable sources to get a proportional measure of jobs at that firm. “That’s also pretty straightforward,” she said.

However, in other cases, divining greenness is much more difficult. For example, is the wholesale or retail distribution of a green product—say, a pollution scrubber for power plants—a

green job? Some certainly think so; without it, there is no net environmental benefit because the scrubber stays in the factory. But is it a uniquely green service?

“We decided not to count those jobs” as green, Sommers said, “because there was no particular benefit to the environment.” That is, the transport itself was no different for the scrubber than if the firm was transporting barrels filled with oil.

The BLS nonetheless identified almost 600 green NAICS codes, and “not everyone is going to agree” on what did and did not make the list, Sommers said.

That might be putting it kindly. Some of the industries included are “absurd,” said Hine. For example, small-arms ammunition manufacturing made the list because environmentally harmful lead is being increasingly phased out of bullets. Bags, pouches, packages and sheets made of plastic—yes, plastic—also made the list by virtue of resin recycling in the new product.

The haggling will continue for some time. The BLS doesn’t expect to have its first estimates for green jobs nationwide until fiscal year 2012.

### 50 different answers?

The BLS is not the only dog in the green job hunt. States are doing their

own homework on green jobs, funded mostly by federal grants in last year’s stimulus bill. A total of 30 awards ranging from approximately \$760,000 to \$4 million were made to individual and groups of state workforce agencies. The Minnesota Department of Employment and Economic Development (DEED) received a \$1.2 million stimulus grant to investigate green jobs and already has added a green category to its existing job vacancy survey.

The Montana Department of Labor and Industry (MDLI) is spearheading a seven-state research effort (including the Dakotas) to improve green jobs data gathering and analysis by state labor market information offices. The effort received a \$3.8 million federal grant to develop a methodology for surveying firms to “close the green jobs information gap,” according to a federal summary of state-based initiatives.

The Montana agency had been researching green jobs before it received the grant because various constituencies—policymakers, businesses, job seekers, media—had been asking about this topic, according to Barbara Wagner, senior economist with the Research and Analysis Bureau, a data-gathering arm of MDLI. Early efforts stemmed from the fact that Montana is home to one of the world’s largest superfund sites—a shuttered asbestos plant in Libby—and policymakers were

interested in the types of jobs, the availability of workers and the training needed to adequately staff work to restore the superfund site,” said Wagner via e-mail. That’s when the proverbial green light went on, resulting in “even more questions about green jobs and acknowledgment of environmental costs.”

In a July 2009 report, the agency encapsulated much of the methodological difficulties of green counting, applying seven different methodologies and estimating the number of green jobs between 4,000 and 22,000. More recently, the department completed a firm-level survey of green jobs and expects to make preliminary results available in October, according to Wagner. Other states in the consortium were in the last stages of data collection as of late summer, and final reports from all states are due at the end of May 2011, Wagner said.

Despite this and other research efforts, labor economists have a lot of work to do before they can confidently claim to have boxed in green jobs. To that end, federal and state investigations might have an equally important public relations function.

Said Hine, from LMI, “I think if there is a benefit [to the green job studies], it is to make it more apparent to people that there is not an easy-to-define green economy out there.” **f**