

Workforce Transition for a Carbon Neutral Economy by 2045

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Overview

- Illustrative example: building decarbonization
- Expanding high-road jobs
- Guiding principles workforce transition

Deep energy
efficiency retrofits

All-electric new
construction

End use
electrification

Decarbonized
district energy for
building heating
and cooling

Repair methane
leaks in gas
distribution system

Renewable natural
gas or hydrogen

CALIFORNIA BUILDING DECARBONIZATION

WORKFORCE NEEDS AND RECOMMENDATIONS



NOVEMBER, 2019

UCLA Luskin Center
for Innovation

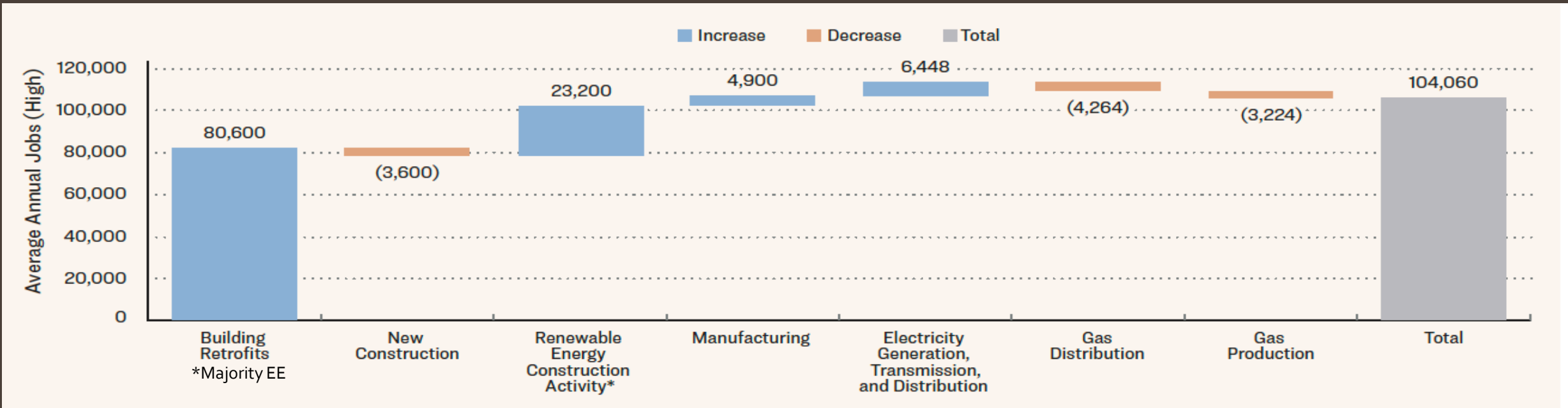
INCLUSIVE
ECONOMICS

CONSTRUCTION

MANUFACTURING

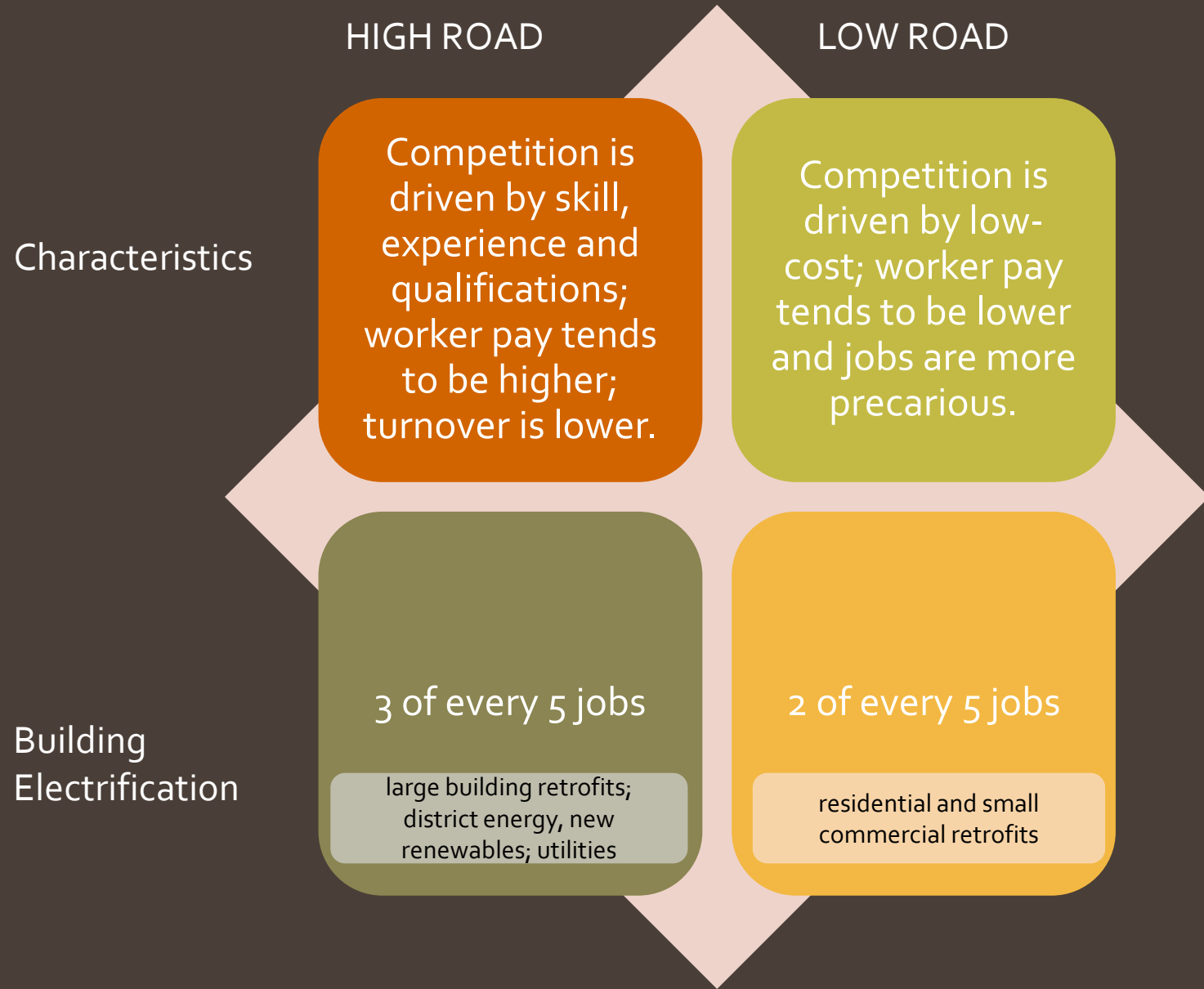
UTILITIES

EXTRACTION



*Bars represent average annual job impacts (high estimates)

EXAMPLE: BUILDING ELECTRIFICATION
Job impacts span several industries



High Road Jobs Vs. Low Road Jobs

Maintaining and expanding the 'high-road' takes intention and leadership



How can we attract and retain a skilled workforce?

- Carrots
 - Tie incentives or direct public investment to labor standards (wage standards, targeted hire, etc.)
 - Performance-based incentives based on the quality of work performed
- Sticks
 - Require strong licensing criteria and skill certifications
 - Improve enforcement of building code, labor and wage law, etc.

New thinking is required to support worker transition

- FROM: *Lowest upfront cost is the optimal path*
- TO: *How do we achieve best value, and get more from our upfront investments?*

- FROM: *Any job is a good job, especially now.*
- TO: *No one wants or deserves a bad job.*

- FROM: *We need jobs, so let's train more people.*
- TO: *We need good jobs; how can we develop new high-road industries?*

- FROM: *There aren't that many gas workers affected*
- TO: *Behind every job lost is a person, and often a family, whose livelihood is dependent on that work.*

- FROM: *Jobs matter– the more the better*
- TO: *The types, quality, and distribution of jobs matter*

Expand the High Road

- Comprehensive industrial planning to support new high-road opportunities

Social Dialogue

- Engage with affected industry, worker, and community representatives

Assess Skill Requirements

- Map skills/occupations in fossil fuel industries to skills needed in clean industries

Inter-jurisdictional coordination

- Align efforts between state and local government; one-size does not fit all

Just Transition Funding

- Identify financial resources for transition assistance

Long-term planning to avoid industry destabilization and worker displacement and retain workers to safely manage the retreat

Principles to Support Workforce Transition

There is still time to manage a responsible workforce transition.



About Inclusive Economics

Economic research on the employment impacts of climate policy

Advising on high-road climate policy and workforce development

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