DEPARTMENT OF LABOR

Bureau of Labor Statistics

Comment Request

AGENCY: Bureau of Labor Statistics, DOL.

ACTION: Notice of solicitation of comments.

SUMMARY: The Bureau of Labor Statistics (BLS) is responsible for developing and implementing the collection of new data on green jobs. The resulting information will assist policymakers in planning policy initiatives and understanding their impact on the labor market, and will facilitate the monitoring of labor market developments related to protecting the environment and conserving natural resources. BLS activities also will be useful to State labor market information offices in their efforts to meet the need for information for State policymakers, businesses, and job seekers. BLS is currently soliciting comments on the definition BLS will use in measuring green jobs, the industry list, or any other aspect of the information provided in this Notice.

DATES: Written comments must be submitted to the office listed in the ADDRESSES section of this notice on or before April 30, 2010.

ADDRESSES: Send comments to Richard Clayton, Office of Industry Employment Statistics, Bureau of Labor Statistics, Room 4840, 2 Massachusetts Avenue, NE., Washington, DC 20212 or by e-mail to: green@bls.gov.

FOR FURTHER INFORMATION CONTACT: Richard Clayton, Office of Industry Employment Statistics, Bureau of Labor Statistics, telephone number 202–691–5185 (this is not a toll-free number), or by e-mail to: green@bls.gov.

SUPPLEMENTARY INFORMATION:

I. Background

BLS is responsible for developing and implementing the collection of new data on green jobs. The goal is to develop information on: (1) The number of and trend over time in green jobs, (2) the industrial, occupational, and geographic distribution of the jobs, and (3) the wages of the workers in these jobs.

The resulting information will assist policymakers in planning policy initiatives and understanding their impact on the labor market, and will facilitate the monitoring of labor market developments related to protecting the environment and conserving natural resources. BLS activities also will be useful to State labor market information offices in their efforts to meet the need for information for State policymakers, businesses, and job seekers.

There is no widely accepted standard definition of “green jobs.” While this topic is of interest across government, academia, and the business community, various studies define the term differently. BLS reviewed a wide range of studies, including several surveys conducted by State Workforce Agencies and work conducted internationally. BLS also consulted with a variety of stakeholders, including Federal agencies, the State labor market information offices, and industry groups. The common thread through the studies and discussions is that green jobs are jobs related to preserving or restoring the environment. Several categories of green economic activity are nearly universally cited: renewable energy, energy efficiency, pollution prevention and clean-up, and natural resources conservation.

The studies reviewed showed that neither of the standard classification systems used in BLS data, the North American Industry Classification System (NAICS) and the Standard Occupational Classification (SOC), identifies a green or environmental grouping of industries or occupations. In response to the challenge of defining green jobs, BLS has adopted the approach of identifying environmental economic activity and counting the associated jobs. These jobs will be found across a range of industries and occupations.

BLS plans to use two approaches in identifying environmental economic activity and measuring associated jobs: (1) The output approach, which identifies establishments that produce green goods and services and counts the associated jobs, and (2) the process approach, which identifies establishments that use environmentally-friendly production processes and practices and counts the associated jobs.

In the output approach, BLS is concerned with jobs related to producing a specific set of goods and services, and is not concerned with the environmental impact of the production process. The output approach alone, however, would not cover some activities and associated jobs that favorably impact the environment although the product or service produced is itself not “green.” The process approach is intended to address this aspect of green jobs. In the process approach, BLS is concerned with whether the production process has a favorable impact on the environment, but not with what good or service is produced. The process approach is
II. Defining and Identifying Green Goods and Services

BLS has worked toward a definition that is objective and empirically measurable. In addition, because BLS data about jobs are categorized and described according to industry (product or service produced) and occupation (type of work performed), the development and presentation of information on jobs related to green economic activity will be based on NAICS and SOC. Using these standard classifications will allow comparison of green jobs data with existing measures of employment and wages that are based on NAICS or SOC, as well as meet Office of Management and Budget statistical standards. Within NAICS, BLS may develop information for more detailed subcategories.

The Bureau’s definition of green jobs is based on economic activity, and does not consider job aspects unrelated to the work itself, such as wages, union membership, benefits, or career ladders. However, BLS will produce data on occupational wages; data users may supplement the BLS green jobs data with data from other sources. Further, because some data users may make different choices about which goods and services they prefer to include or exclude from “green,” BLS intends to present results by industry, allowing users to choose those industries needed for their purposes.

In specifying green goods and services, BLS has identified whether a good or service has a discernible positive impact on the environment or natural resources conservation. Some goods and services may have both a positive and a negative impact. BLS has not attempted to assess the net impact.

**Defining green jobs.** Broadly defined, green jobs are jobs involved in economic activities that help protect or restore the environment or conserve natural resources. These economic activities generally fall into the following categories:

1. **Renewable energy.** Research on and development, production, storage, and distribution of energy (electricity, heat, and fuel) from renewable sources, including hydropower, wind, biomass (including biofuels and biogas), geothermal, solar energy, tidal energy, hydrogen fuel cells, and other renewable sources.

2. **Energy efficiency.** Research on and development and implementation of energy conservation technologies and practices, including production of energy efficient products, cogeneration, and increasing the energy efficiency of production processes, distribution, construction, installation, and maintenance.

3. **Greenhouse gas reduction.** Research on and development and implementation of technologies and practices to reduce greenhouse gas emissions through approaches other than renewable energy generation and energy conservation. Includes generation of electricity from nuclear sources and reduction of greenhouse gas emissions in electricity generation from fossil fuels.

4. **Pollution reduction and cleanup.** Research on and development and implementation of technologies and practices to reduce the emission of pollutants and remove pollutants and hazardous waste from the environment.

5. **Recycling and waste reduction.** Research on and development and implementation of technologies and practices to collect and recycle materials and waste water.

6. **Agricultural and natural resources conservation.** Research on and development and implementation of technologies and practices to reduce the environmental impact of agricultural production and improve natural resources conservation, including reducing use of chemical fertilizers and pesticides, soil and water conservation, sustainable forestry, land management, and wildlife conservation.

7. **Education, compliance, public awareness, and training.** Activities to increase public awareness of environmental issues; activities to develop and enforce environmental regulations; and providing training in the application of “green” technologies and practices. These economic activities result in the production of green goods and services. BLS has defined these to include two types:

   a. **Direct green goods and services.** A good or service that is produced specifically for the purpose of protecting or restoring the environment or conserving natural resources. (Examples include pollution control equipment and weatherizing buildings.)

   b. **Indirect green goods and services.** Selected goods and services not included in 1 above that are produced for another purpose, but when produced, consumed, or scrapped have a favorable impact on protecting the environment or conserving natural resources relative to other goods or services generally used for the same purpose. (Examples include electricity produced from renewable sources, non-polluting dry cleaning services, hybrid vehicles, and mercury-free batteries.)

BLS is considering using Federal product ratings or standards, where they exist, to determine which goods and services to include in this category. Such standards will be used to provide an objective method to distinguish green goods and services from other goods or services generally used for the same purpose. These standards will also help BLS clearly communicate to respondents what goods and services they produce that should be reported on the planned survey, and to communicate to data users what products and services are represented in the resulting data on associated jobs.

Examples of such Federal standards include USDA Certified Organic and Energy Star. Well established and widely recognized industry standards also may be used, to the extent they are objective and empirically measurable. An example of such an industry standard is the Leadership in Energy and Environmental Design (LEED) Green Building Rating System. A potential limitation of using these types of labeling programs is that they are voluntary and some employers may not participate although they may in fact meet the standards.

Indirect green goods include goods containing recycled inputs, such as primary metals containing scrap inputs, and remanufactured goods, such as retreaded tires. Goods containing recycled inputs are generally limited to those produced at the stage where the recycled input is introduced. (For example, steel containing scrap input is included as a green good, but hand tools made from such steel are not included.)

Indirect green goods also include organic agricultural products and processed organic products that carry the USDA Certified Organic designation. (Examples include organic produce and canned organic vegetables.)

3. **Specialized green goods.** A good or service that is a specialized input to production of a direct or indirect green good or service included in categories 1 or 2 above. (Examples include USDA-approved fertilizers for organic crops, wind turbine blades, and mass transit rail cars.)

4. **Distribution of green goods.** Services that specialize in distributing green goods included in categories 1, 2, or 3 above, including: (a) Transportation and warehousing services, (b) wholesale and retail trade services, (c) rental and leasing services, and (d) restaurants and food services.
Measuring jobs associated with producing green goods and services. To implement the output approach, BLS plans to collect data on jobs associated with producing green goods and services (GGS) through a sample survey of establishments identified as potentially producing such products and services based on their NAICS classification. The purpose of the survey will be to identify whether the establishment is producing any green goods and services and, if so, to measure the number of associated jobs in the establishment.

If a business establishment produces a single good or service, and if the good or service is included in the BLS definition, all employment at that establishment will be counted towards the green job total, including production, management, and administrative staff. For establishments that produce more than one good or service, BLS proposes to capture the share of employment at the establishment by summing the green share associated with each product or service produced. BLS would use the revenue share as a proxy for the share of employment associated with the production of green goods and services. BLS research to date indicates that businesses are unlikely to be able to report shares of employment related to the green good or service and that revenue share would be a reasonable proxy. BLS will attempt to confirm this during field tests of the GGS survey forms.

Identifying industries that produce green goods and services. BLS has reviewed the NAICS and identified detailed (6-digit) industries where green goods and services are classified. Industries on the list accounted for about 4.0 million establishments in the first quarter of 2009. This industry list will constitute the scope for the GGS industry survey; the sample survey will estimate the number of jobs in establishments in these industries that actually produce green goods and services. The list may be accessed at http://www.bls.gov/green.

Note that the proposed BLS methodology will estimate green jobs for a NAICS industry by summing the green jobs found at individual establishments classified within the industry. The methodology does not simply designate an industry as “green” and count all jobs in that industry as green jobs, since establishments in the industry may also produce goods and services that are not considered green outputs.

In addition to the number of jobs by industry associated with GGS production, BLS will estimate the occupational employment and wages for establishments identified as producing green goods and services. These estimates will be based on data collected from establishments in the GGS industry survey through the Occupational Employment Statistics (OES) program. The OES survey sample will be supplemented as needed.

III. Defining and Identifying Environmentally-Friendly Production Processes

For the process approach, BLS will develop a special employer survey to test the feasibility of collecting data on jobs associated with use of environmentally-friendly production processes. Environmentally-friendly production processes and practices are those that reduce the environmental or natural resources impact resulting from production of any good or service. These production processes include (1) production of green goods and services for use within the establishment, and (2) the use of methods, procedures, or practices during the production of goods and services that have a positive environmental or natural resources conservation impact.

Examples of environmentally-friendly processes and practices include:

- Generating solar power for use within a retail establishment, using hybrid vehicles to transport employees, redesigning product packaging to reduce the use of plastics, and collecting and recycling waste created during a manufacturing process.
- In the special employer survey, BLS proposes to identify whether the establishment uses environmentally-friendly production processes and, if so, whether it employs any workers whose primary duties are related to those processes. Such workers may be performing a variety of activities, such as:
  - Conducting research and development of processes to conserve energy or natural resources or to reduce pollution (for example, a chemical engineer who develops a chemical manufacturing process that results in lower air pollution emissions);
  - Planning, implementing, and monitoring of these processes (for example, a worker who operates renewable energy generation equipment to produce electricity for use within the establishment);
  - Maintaining or installing equipment or infrastructure associated with the processes (for example, a control valve installer in a manufacturing plant who installs systems that reduce water pollution emissions), and

- Measuring and controlling outputs of the process (for example, a chemical technician who tests air samples for pollution emissions levels).

When development of the process approach nears completion, BLS plans to publish a Federal Register Notice presenting the concepts for comment.

IV. Desired Focus of Comments

Comments and recommendations are requested from the public on the definition, industry list, or any other aspect of the information provided in this Notice. The concepts, methods, and definitions described here may change based on input from the public and experience gained in data collection.

BLS is especially interested in comments on:

1. The composition of the set of seven economic activities in which green jobs are involved.

2. The composition of the set of four types of green goods and services, including:
   - Whether the distribution of green goods should be included as green services. Distribution encompasses certain detailed industries in the following NAICS sectors: Transportation and Warehousing, Wholesale Trade, Retail Trade, and Real Estate and Rental Leasing.
   - Whether the preparation and sale of organic food by restaurants and food service industries should be included as green services. This inclusion brings Accommodation and Food Services industries such as restaurants, caterers, and cafeterias into scope.
   - The apportioning of employment at establishments producing green and non-green outputs into green and non-green jobs using revenue share.

Signed at Washington, DC, this 11th day of March 2010.

Kimberley Hill,

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