

SECRETARY OF LABOR
WASHINGTON, D.C. 20210

JUN 10 2009

The Honorable Joe Barton
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Barton:

Thank you for your letter, cosigned by Congressman Greg Walden, and the opportunity to provide the Committee on Energy and Commerce with the following information about green jobs for the Department of Labor (the Department). Below, please find responses to the questions you posed.

1. What is a green job? Who gets to define what a green job is? What is the authority for this official to make this determination?

The Department's Bureau of Labor Statistics (BLS) is currently working to develop a definition for the statistical purposes of producing labor market information on the employment and earnings by industry and occupation of green jobs. BLS is consulting with other Federal agencies as well as state workforce agencies to develop a definition that is useful to as many data producers and users as possible. The Department has also supported occupational research that begins to define green jobs, review sectors impacted by green investments, and build understanding regarding how new green technology and materials will affect occupational requirements.

2. How was this definition of green jobs developed? Please list all the organizations, both government and private, that provided input in the development of this definition.

As discussed above, the definition of green jobs is still being developed. However, the Department has directed initial green jobs investments towards energy efficiency and renewable energy industries. The Department has used the definition for renewable energy contained in The Energy Policy Act of 2005 as a starting point. The Energy Policy Act of 2005 defines renewable energy as "electric energy generated from solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or hydroelectric." The Department believes energy efficiency can be broadly defined as programs aimed at mitigating the use of energy, reducing harmful emissions, and reducing overall energy consumption.

In addition, as directed by the American Recovery and Reinvestment Act of 2009 (Recovery Act), the Department will soon invest \$500 million for research, labor exchange and job training projects that prepare workers for careers in energy efficiency and renewable energy as described in section 171(e)(1)(B) of the Workforce Investment Act. A portion of this funding will target the collection of local labor market information by State Workforce Agencies regarding green jobs data. State Workforce Agencies work directly with private industry and the public workforce investment system and provide the Department with a valuable conduit to gather further information. BLS has reviewed this Solicitation for Grant Applications to ensure data collected will be useful in their work to further develop the definition of green jobs and identify related industries and sectors.

Regarding collaboration at the Federal level, the Department and other Federal agencies have already begun to coordinate our work to strategically implement programs that ensure cooperative interactions between investments in infrastructure and research and development on one side and job training and worker placement on the other. My staff, along with others throughout the Federal government, is meeting regularly to discuss green jobs issues and identify ways in which we can partner to leverage resources and avoid duplication.

3. In which sector(s) of the economy are green jobs envisioned? Has an analysis been performed of the estimated numbers of green jobs that may be created as a result of American Clean Energy and Security Act of 2009 (ACES) or other similar climate change legislation? If, so how many such jobs would be created and over what time periods would they be created?

Currently, the Department has identified seven green jobs sub-sectors as defined in section 171(e)(1)(B)(ii) of the Workforce Investment Act. The sub-sectors may be modified based on the Department's work in defining green jobs or future labor market data.

- The energy-efficient building, construction, and retrofit industries;
- The renewable electric power industry;
- The energy efficient and advanced drive train vehicle industry;
- The biofuels industry;
- The deconstruction and materials use industries;
- The energy efficiency assessment industry serving residential, commercial, or industrial sectors; and
- Manufacturers that produce sustainable products using environmentally sustainable processes and materials.

The Department has been focusing its resources on defining green jobs and implementing green jobs provisions contained within the Recovery Act. The Department has not performed analysis on ACES or other similar climate change legislation.

4. Would new green jobs such as those associated with ACES or similar legislation require workers to undertake significant new training and/or education? If so please describe the

nature of that new training and/or education, the anticipated costs and timelines associated with the training and/or education, and who will pay those costs?

While the Department has not conducted a specific analysis of the impact of ACES, generally, the innovations in technologies, processes, and materials associated with green jobs are expected to lead to the creation of entirely new occupations and driving the need for workers in many existing occupations to augment their skill sets as well, creating potential for new career pathways, ladders, and lattices. Given the wide range of skill-needs associated with green jobs, it is not practical to make generalizations regarding the level of training that workers will need to undertake. However, as the Department defines green jobs and gathers additional labor market information, more data about the nature and cost of green job training will become available.

5. Would significant numbers of workers have to relocate for green jobs? If so what are the anticipated numbers of workers that may have to relocate and where would they have to relocate? When defining green jobs, does the definition take into consideration whether a job is located in the U.S. or abroad, or whether a job was transferred abroad from the U.S. as a result of U.S. laws and regulations?

Green jobs are an important part of America's economic recovery because they are generally perceived to be domestic in nature and difficult to outsource. The Department is investigating the use of partnerships and regional approaches to creating green jobs. We expect green jobs will be created across all regions of the United States as part of a national strategy that seeks to take advantage of natural assets occurring in the various regions. For example, some areas may choose to harness wind power to employ workers in wind energy careers, others will pursue solar, and still others will develop scientific research and development capacity. Also, careers in energy efficiency, such as weatherization and retrofitting, should be available in most areas because most of the work will be on existing infrastructure such as homes, offices, and schools, etc.

There could also be future linkages between green jobs and the recovery of communities hit hard by layoffs since workers can be retrained and re-equipped to contribute to the growing of the green economy. One example is in the U.S. automotive industry. The Department is playing a vital role in supporting the economic recovery of communities that depend on car manufacturers and related industries. Many of these communities are passionate about green jobs playing a part in their future economic success, and the Department will work with these communities to ensure they not only survive but thrive in our country's recovery.

Although the Department's definition of green jobs is still under development, green jobs are intended to be a part of the short term and long term economic recovery strategy in the U.S. Therefore, we would anticipate that any definition would primarily reflect jobs located in the U.S.

6. Have there been analyses performed that estimate the average wages associated with anticipated green jobs? What is the expected average wage of a green job? How does that compare to the average wage of a non-green job? What is the supporting data for these wage figures?

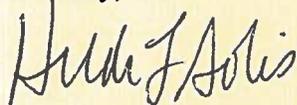
It is not currently possible to provide comprehensive analysis of average wages associated with green jobs since the final definition is still being developed. However, several inferences can be drawn based on data that is readily available. For instance, many green jobs are in the construction trades and these jobs tend to pay above average wages. The May 2008 Occupational Employment and Wage Estimates published by BLS indicate that construction and extraction occupations pay a median hourly rate of \$18.24 as opposed to \$15.57 for all occupations. Therefore, we can expect that many green jobs will pay 10 percent to 20 percent better than other jobs. In addition, data from the Current Population Survey published by BLS indicate that 21 percent of construction and extraction workers were represented by a union in 2008, which suggests that many green jobs will be unionized. These are also jobs that traditionally cannot be outsourced.

7. Will green jobs be in addition to non-green jobs or will they replace non-green jobs? If the green jobs are replacing non-green jobs, how many non-green jobs will be lost for every one green job created? If more non-green jobs are lost than the number of green jobs created, is that disparity the result of increased efficiencies or other factors? If other factors, please list those factors and describe how they impact the loss and creation of green jobs and non-green jobs. Please also explain the methodology for determining the net effect on employment.

The Department is currently supporting occupational research that is beginning to define green jobs, review sectors impacted by green investments and understand how new, green technology and materials will affect occupational requirements. We will continue to keep you updated on our findings as we are leading the national effort to define green skills and jobs.

Thank you again for your interest in this important issue. I welcome the opportunity to continue our dialogue.

Sincerely,



HILDA L. SOLIS
Secretary of Labor