

Insights

News, commentary, and publications on the labour market

Net Zero and green jobs

To provide some background, this is a recent timeline of Net Zero:

- In June 2019, The UK Parliament passed legislation requiring the Government to reduce the UK's net emissions of greenhouse gases by 100% ("net zero") relative to 1990 levels, by 2050.
- In November 2020, the Government published its Ten Point Plan for a Green Industrial Revolution <u>The ten point plan</u> <u>for a green industrial revolution -</u> <u>GOV.UK (www.gov.uk).</u>
- In July 2021 the Green Jobs Taskforce published the <u>Green Jobs Taskforce</u> <u>report - GOV.UK (www.gov.uk)</u> on the

- jobs and skills required to meet the challenge of achieving Net Zero.
- In October 2021 the Government published its net zero strategy <u>net-</u> <u>zero-strategy-beis.pdf</u> (<u>publishing.service.gov.uk</u>).
- In January 2023 the publication of an independent review, commissioned by the Government, into the Government's approach to its net zero strategy
 Review of Net Zero GOV.UK
 (www.gov.uk).



February 2023

Through all of these documents, the need for new skills and potentially more jobs to make the transformation required to decarbonise the UK is apparent. Figures used include "that the policies underpinning the Net Zero Strategy and the British Energy Security Strategy could support 480,000 green jobs by 2030 and the Energy Innovation Needs Assessment (published by BEIS) found that business opportunities identified from decarbonisation could support approximately 500,000 jobs in the UK by 2050".

It's not always easy to understand whether the jobs are new jobs, changed jobs or supported jobs. What is possibly more pertinent is the detail of what the skills are and the visibility of the opportunities. The Green Jobs taskforce report is the most detailed analysis of the skills and job requirements and provides an insight into the potential. Sector bodies have also responded to the demands, for example the construction sector - Net Zero and Construction - Perspective and Pathways - CITB

In terms of progress, both the Net Zero Review and the Climate Change Committee's last progress report 2022 Progress Report to

Parliament - Climate Change Committee

(theccc.org.uk) make recommendations for the Government to publish a Net Zero Skills

Action Plan "that includes a comprehensive roadmap of when, where, and in which sectors there will be skills needs specific to net zero"². Related to this is the need for evidence of progress and this is hampered by the lack of clarity about what is meant by a green job.

ONS is due to publish its work shortly on defining and measuring green jobs.

What is complex from a careers perspective is how to support someone considering green opportunities and skills. Recent news about electric battery and storage illustrates the problem. Ford announced job losses across Europe and the decision to locate their EV-battery manufacture in the US <u>EV transition</u>:

Ford to axe 3,800 jobs in Europe, create 2,500 in America - edie. In the North East of England, before being built, BritishVolt's battery manufacturing plant has gone into and out of administration <u>Blyth gigafactory plans to progress as Britishvolt secures a buyer | The Northern Echo.</u>

What is apparent from reading the Review and the Progress report, is the inevitable need for new skills and, particularly the changes to the energy uses in housing, the scale of the task to move to low energy and green energy.



¹ MISSION ZERO Independent Review of Net Zero, Rt Hon Chris Skidmore MP 2023

February 2023 2

² ibid

16-18 destinations

The data on the destination of the students who were at state funded schools and colleges and completed their 16-18 studies in the 2020/21 year. 16-18 destination measures, Academic Year 2020/21 – Explore education statistics – GOV.UK (explore-education-statistics.service.gov.uk). The largest swing on the previous year, was an increase of 3.4% in students staying in further education, most of which were students remaining at their college for a further year. There was a small increase in students going into HE (0.4%) and a 2.0% drop in take up of apprenticeships. The DfE note that the changes in the destinations will be affected by the Covid pandemic.

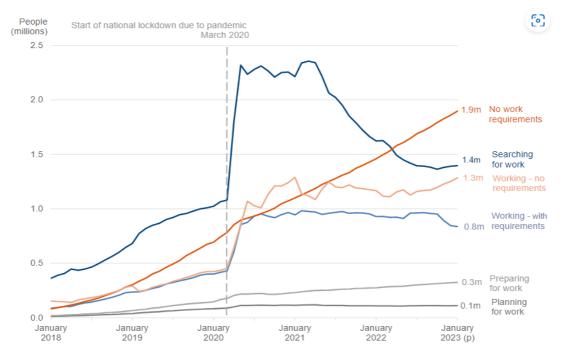
Universal Credit

The latest figures on Universal Credit (UC) have been published and show that there are currently 5.9 million people in receipt of UC.

Universal Credit: 29 April 2013 to 12 January
2023 - GOV.UK (www.gov.uk). There are six conditionality groups in UC (details are provided in the link), of which:

- 1.4 million are in the category "searching for work", which covers people who are not working, or with very low earnings. The labour market regime for this group is 'Intensive Work Search'.
- 0.8 million people who are in the group 'working with requirements' which includes people In work, but could earn more, or not working but has a partner with low earnings. The labour market group is 'Light Touch'.

People on Universal Credit by conditionality regime, Great Britain, January 2018 to January 2023



Note: (p) provisional

Source: <u>DWP Stat-Xplore</u>, <u>People on Universal Credit</u> by conditionality regime

February 2023 3

From the end of February 2023, an increase to the Administrative Earnings Threshold (AET) threshold will mean more Universal Credit claimants will be moved from the 'Light Touch' group to the 'Intensive Work Search' group. Hundreds of thousands more workers to receive job support boost in spring -**GOV.UK (www.gov.uk)**. The AET determines which group a person is placed in based on how much they earn, and therefore how much support they receive to find work. If someone earns below the AET, they are placed in the Intensive Work Search Group and are required to regularly meet with their work coach. If someone earns above the AET they are placed in the Light Touch Group.

On a related note, a Work and Pensions Select Committee inquiry is looking at the effectiveness of Government support to get people into employment, including disadvantaged groups such as those in lowpaid jobs and young people. Plan for Jobs and employment support - Committees - UK Parliament

What constitutes a good job?

"Of course, defining what good work is and how we measure it was never going to be straightforward. In taking evidence around the country for the Taylor Review, I have heard successive workers in identical jobs describe it as the best job they've ever had, or as stressful and exploitative. We all have our own views on what good work means to us. But we can clearly agree some basic criteria which enable a fulfilling experience of work."

The words of Matthew Taylor, author of Good work: the Taylor review of modern working practices —

GOV.UK (www.gov.uk), and lifted from Measuring Good Work: The final report of the Measuring Job Quality Working Group - Carnegie UK Trust)

The answer to the challenge of what the criteria should be and how to measure and monitor these, was set out in the Carnegie Trust's report. The result were 18 job quality measures (see image).



The recommendation for measuring and monitoring progress was through the ONS Labour Force Survey. ONS has published its latest findings. Job quality in the UK – analysis of job quality indicators – Office for National Statistics (ons.gov.uk) which as it says are a work in progress to expand on the indicators of quality work.

To find out more about the employability and careers services at EDT, please contact us at careersinfo@edt.org

February 2023 4