

JOB GROWTH PROJECTIONS AND ANALYSIS IN CHICAGO'S EMERGING GREEN INDUSTRIES EXECUTIVE SUMMARY

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CHICAGO
WORKFORCE
INVESTMENT
COUNCIL



CHICAGO JOBS COUNCIL

EXECUTIVE SUMMARY

For the past several years, there has been much discussion on the growth of green jobs, especially as a route out of the country's current economic downturn. This report aims to provide an analysis of the number and types of jobs that the new green economy could bring to Chicago and what our city can do to prepare our workforce development system for these new opportunities.

Chicago is a national environmental leader among cities and has long aimed to be the greenest city in the nation. In September 2008, the City released the Chicago Climate Action Plan (CCAP), which outlines a bold path to reduce Chicago's greenhouse gas emissions and prepare the city for the inevitable effects of climate change. Chicago Green Jobs for All (GJFA) is an initiative of the City of Chicago and the Chicago Workforce Investment Council (CWIC).¹ GJFA works to ensure that Chicago residents are prepared for the jobs that are either created by, or transformed through, the Chicago Climate Action Plan (CCAP), that the job opportunities created by the CCAP are available to all Chicagoans, and that communities in need are connected to job training opportunities. GJFA is led by a steering committee comprised of City of Chicago staff and partners and is managed by CWIC.

Initially, GJFA's work was informed by analysis of the impact on labor demand expected from a full implementation of the CCAP.² In light of the economic downturn, GJFA determined that further analysis was needed to inform a modified strategy designed to make workforce development and training more responsive to the industries directly

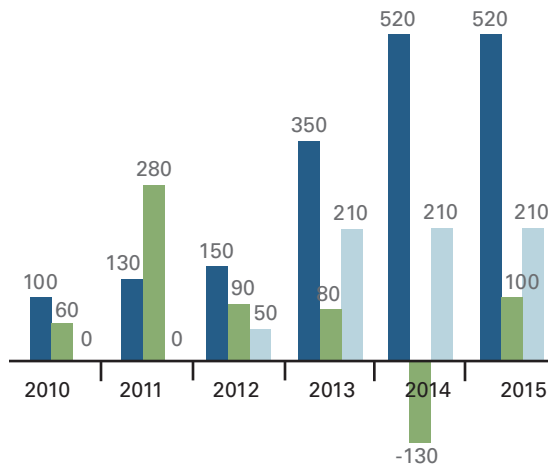
affected by the CCAP. In this analysis, four of the strategies in the CCAP were analyzed: building retrofits for energy efficiency, renewable energy, waste reduction, and climate change adaptation. In total, fifteen industries in the four areas of potential job growth were studied in depth. In addition to quantitative analysis in these industries, GJFA gathered qualitative information by asking: What are the expected sizes of the relevant industries in Chicago through 2015? How many jobs will be created? Who will be employed in those jobs? For the jobs that are created, does Chicago have training programs in place to train a sufficient workforce?

This paper summarizes the key data underpinning GJFA's recommendations for a strong, efficient and accessible workforce training infrastructure that can respond as "green" industries expand and skill requirements change.

SUMMARY OF JOB CREATION ESTIMATES

Between 2010 and 2015, we estimate that a cumulative total of nearly 3,000 new jobs could be created in energy efficient buildings, waste reduction and climate change adaptation.³ Many of these jobs will be filled by existing experienced unemployed Chicagoans. Entry for inexperienced workers in these fields is likely to be modest. These numbers are best interpreted as estimates and not as exact predictions. The below chart illustrates the projected job growth for each CCAP strategy in each year.

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New, direct jobs created each year by CCAP strategy⁴



SECTOR	CUMULATIVE NEW JOBS FROM 2010–2015
■ Retrofits for Energy Efficiency Aggressive Case	1,770
■ Waste Reduction	480
■ Adaptation	680
TOTAL	2,930

Highlights of Industry-Specific Findings

- The building retrofits industry will put several hundred Chicagoans back to work retrofitting thousands of units of housing, as well as commercial and industrial buildings. Many of these workers need to enhance their skills for energy efficient

retrofits, but have the basic foundational construction experience to complete this work. Much of the growth in this market will depend on the growth of the market for residential retrofits of middle-income homes that do not receive extensive subsidies. If the continued rate of unemployment in the construction field lasts, there will be a limited number of opportunities for new entrants to this field.

- Although difficult to estimate, there does not currently appear to be high-demand for renewable energy installation, operations or maintenance workers in Chicago. For manufacturing of renewable energy components, there is evidence that there is a skills mismatch between those that have been laid off and the needs of employers that are hiring. Over the past decade, Chicago has invested significantly in addressing the persistent high-skilled manufacturing worker deficit and providing training that addresses skill deficits will help to prepare for potential job growth in this field.
- The waste reduction and climate change adaptation strategies will create several hundred new jobs, but Chicago currently has a deep bench of experienced, unemployed workers that could potentially fill many of these jobs. However, GJFA can work with existing training programs to strengthen their connections to employers and ensure that their programs meet industry demands.
- The City of Chicago has invested over \$4.5 million in a deconstruction job training and work experience program, deconstructing city-owned properties. To our knowledge, it is the largest deconstruction program in the nation and is making significant strides towards building the deconstruction market in Chicago. GJFA will work with the City and its partners to continue to support this market's growth.

ENDNOTES

¹CJFA was originally staffed for the Chicago Mayor's office by the Chicago Jobs Council. It is now housed at CWIC.

²Much of the research in this paper was informed by that initial analysis. See "Potential Workforce Impacts of the Chicago Climate Action Plan: Quantitative and Qualitative Assessments," published in January 2009 by the Center for Urban Economic Development at the University of Illinois at Chicago available at http://www.chicagoclimateaction.org/filebin/pdf/CUED_CCAPJobs_Final.pdf

³Renewable Energy job numbers estimates are not provided in this paper because of a lack of confidence in estimates of market growth. Please see the Renewable Energy Results section of the full paper for more information.

⁴In 2014, the waste reduction industry is projected to lose jobs due to the ending of a manual deconstruction program.

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CHICAGO WORKFORCE INVESTMENT COUNCIL

The Chicago Workforce Investment Council (CWIC) is an independent nonprofit organization that works to ensure that Chicago has a skilled and educated workforce to keep our businesses, economy, communities, and families thriving. For more information please visit www.cwic.org. CWIC is the program manager of Chicago Green Jobs for All.

CHICAGO JOBS COUNCIL

Chicago Jobs Council (CJC) is a city-wide coalition of community-based training organizations, advocacy groups, businesses and individuals working toward ensuring access to employment and career advancement opportunities for people living in poverty. For more information please visit www.cjc.net. CJC is a member of the Chicago Green Jobs for All steering committee and managed funds to support this research.

CHICAGO CLIMATE ACTION PLAN

The Chicago Climate Action Plan is a comprehensive and detailed roadmap to help lower greenhouse gas emissions and address climate change. Visit www.chicagoclimateaction.org to learn more about the Plan.