

EMERGING SKILL NEEDS IN A GREENER UK ECONOMY

Terence Hogarth

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Drivers of environmental skill needs

- Protection of the environment / sustainable development
- Legislation (*e.g.* W.E.E Directive)
- Price controls (*e.g.* Emissions Trading)
- Declining resources / rising commodity prices
- Social / community obligations (*e.g.* industry's obligations to its workforce / the local community)
- Scientific and engineering advances

To what extent is change predictable?

- Environmental protection is not new – *e.g.* the Clean Air Act 1956
- Legislation is well signposted
- But the climate change agenda has heightened awareness of environmental issues generally
 - And there is an (increasing?) element of unpredictability given the pace of environmental change and scientific advances

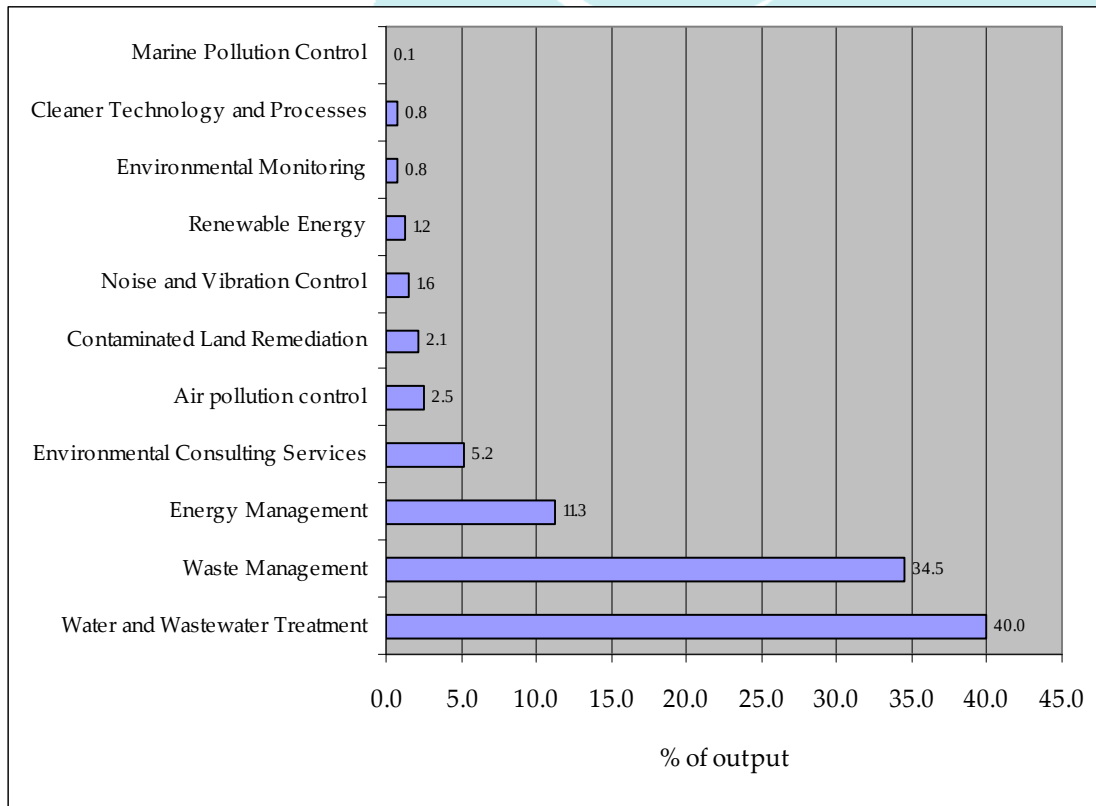
What is known about the skills base?

- The short answer: insufficient is known
 - because it is not well defined as a sector of activity; and
 - because “environmental skills” are not distinct
- But it is possible to piece a variety of data together to obtain an indication of emerging skill needs

Classifying sectors of activity

- Organisations responsible for setting the environmental agenda – Government departments, public sector agencies, *etc*
- The Environmental Technology and Services sector – *i.e.* those organisations where the principal activity is the provision of environmental services or products
- Organisations with a sizable carbon footprint that have a demand for the services of the ETS sector

Identifying the scale of activity in ETS sector

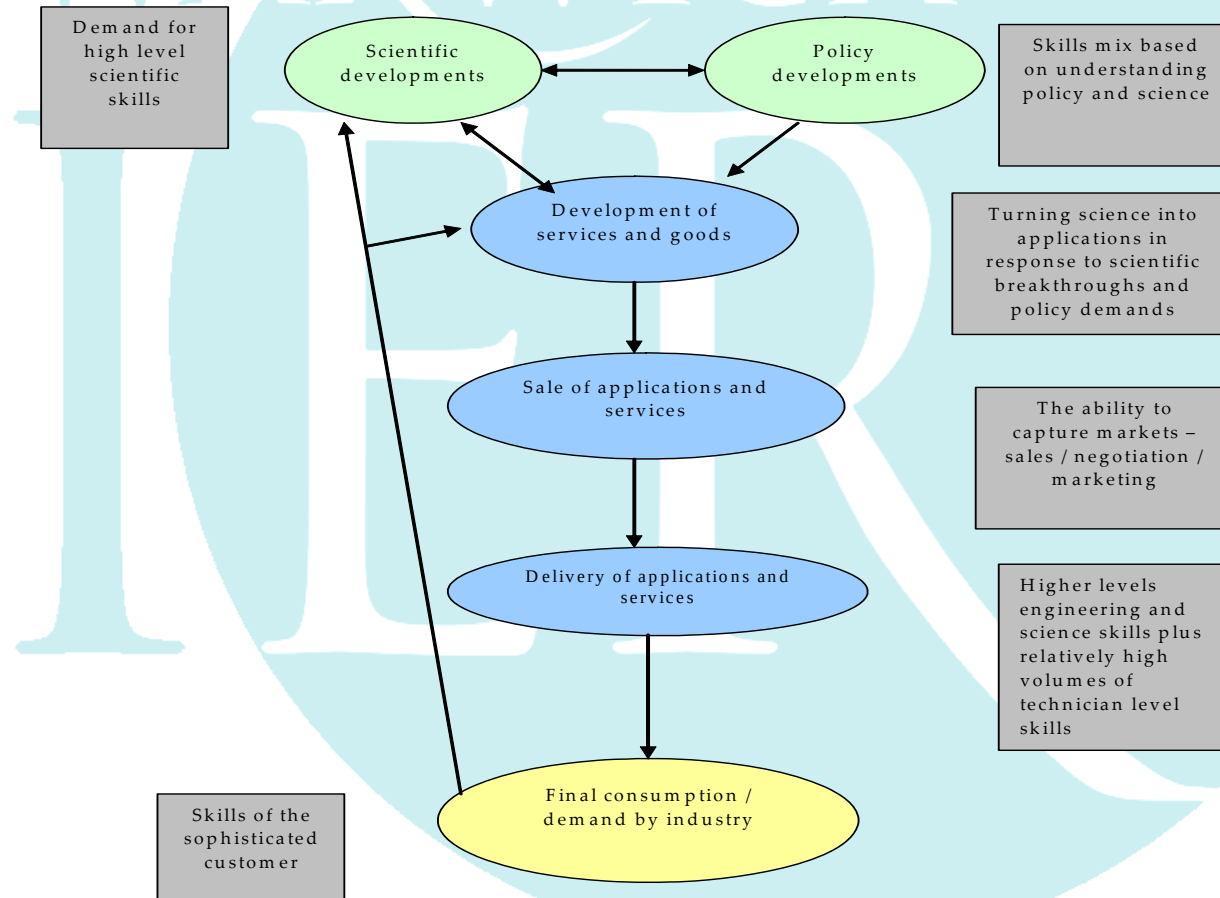


- Output estimated at £25 billion in 2004, up from £16 billion in 2001
- 400,000 jobs, up from 170,000 in 2001
- Mainly SMEs

Types of skill need in the ETS sector

- **Varies by sub-sector**
- **There are high-value, high skill segments**
- **But also relatively low-skill, low value activities such as routine collection and disposal of non-hazardous waste**
- **Skill needs stretch from high level STEM skills to intermediate level technicians, and relatively low level process jobs**

Schematic outline of skill needs



Are skill needs being met?

- **Ambivalent information about the supply of scientific and engineering skills – not much reporting of technical skill shortages**
 - **Some reports that other sectors can supply skills needed**
 - **But some sub-sectors face problems (e.g. nuclear energy)**
- **Where skill shortages occur they relate to generic skills**

Skill need and strategic choice

- Where does the sector want to position itself?
- The balance between low and high value activities
- Making strategic decisions about where to push the sector
- Ensuring that the product market position of organisations is supported by skills – even at the lowest level
- The costs of not capturing the high value, high skill market

How skills policy is responding

- Skill needs are in areas where the UK has been historically weak in comparison to other countries – e.g. intermediate level skills
- Following Leitch Review – VET system to be more demand led
- Qualification / skill levels to be substantially increased
- Increasingly viewing innovation as having a skill dimension – and not just at the highest skill level
- But a comprehensive assessment of environmental skill needs is yet to be made

The background of the slide features a large, light blue circular logo. Inside the circle, the word "WARWICK" is written in a light blue serif font at the top. Below it, the letters "IER" are written in a large, white serif font, with the "I" and "R" being significantly larger than the "E".

Thank you

**Terence Hogarth
Institute for Employment Research
University of Warwick
Coventry
UK - CV4 7AL
Tel: +44 24 76 52 44 20
E-mail: t.hogarth@warwick.ac.uk**