# Canada



The report Job Creation and Local Economic Development 2023: Bridging the Great Green Divide assesses the local labour market impact of the green transition. It presents novel evidence on the share of jobs with a significant proportion of green tasks (green-task jobs) as well as polluting jobs, those which face a higher risk of disappearing, across regions within countries. Furthermore, it analyses current socio-economic and gender implications of the green transition within local labour markets. The report covers all OECD countries for which detailed data on employment by occupation is available.

# How green are regional labour markets in Canada?

## Regional employment in green-task jobs

In Canada, on average around 11.9% of workers are employed in jobs with a significant share of green tasks that contribute to environmental objectives. This is 5.6 percentage points less green than the OECD average of 17.6%. This figure ranges from 8.9% in Newfoundland and Labrador to 13.8% in Alberta. Between 2011 and 2021, 4 out of 10 regions in Canada recorded an increase in the share of green-task jobs in their employed labour force.

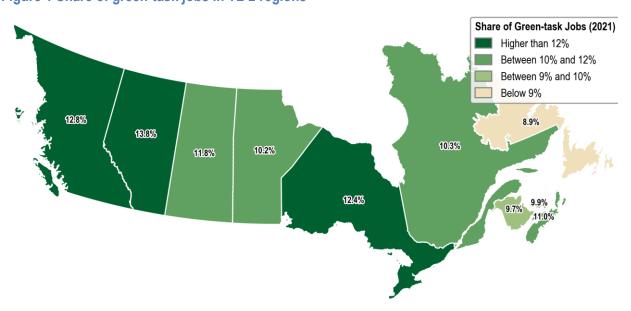


Figure 1 Share of green-task jobs in TL-2 regions

Note: See annex for examples of green tasks and occupations. Source: OECD calculations based on Canadian LFS (StatCan).

2021 2011 Newfoundland and Labrador 8.9% New Brunswick 9.7% 9.9% Prince Edward Island 10.2% Manitoba Quebec 10.3% Nova Scotia 11% Saskatchewan 11.8% Canada 11.9% 12.4% Ontario British Columbia 12.8% Alberta 13.8% **OECD** 7.6% 0% 5% 10% 15% Share of Green-task Jobs

Figure 2 Green-task jobs in TL-2 regions (2011 - 2021)

Note: See annex for examples of green tasks and occupations. Source: OECD calculations based on Canadian LFS (StatCan).

#### Regional differences in green-task jobs across regions in Canada and the OECD

Across the OECD, regional labour markets differ substantially in their greenness. The leading regions record employment shares in green-task jobs of around 30%, while in those regions at the bottom, greentask jobs only account for less than 10% of employment. Regional disparities in the share of green-task jobs are relatively less pronounced in Canada compared to other OECD countries, as the regional gap between the leading and lagging regions is of 4.8 percentage points, compared to 7.2 percentage points within OECD countries on average.

○ Lowest ◆ National average ● Highest Newfoundland and Labrador Q Alberta Canada South Dakota District of Columbia United States Western Greece Q Greece Australia Province of Bolzano-Bozen Q Emilia-Romagna Italy Lublin Province G Warsaw Poland La Rioja 🔾 Madrid Spain Slovakia West Slovakia Bratislava Region Hungary Southern Great Plain G Budapest Saxony-Anhalt G Germany West Austria Austria Autonomous Region of the Portugal Azores Flemish Region Brussels Capital Region Belgium Northern and Western G Eastern and Midland Ireland Northwest ( Czech Republic Netherlands Iceland Central Slovenia Slovenia Normandy France Eastern and Northern Finland G Helsinki-Uusimaa Finland Southern Denmark G Copenhagen region Denmark Greater London Northern Ireland United Kingdom Southland G Auckland New Zealand Zurich Espace Mittelland Switzerland Northern Norway Oslo and Viker Norway Småland with Islands Sweden Latvia Estonia Central and Western Lithuania Vilnius Region Lithuania Luxembourg -10 -5 20 30 35 40 45 50 %

Figure 3 Regional values for the share of green jobs

Note: Last available year. 2019 for the UK. 2020 for Iceland. 2021 for Australia, Canada, EU countries, Norway, New Zealand, Switzerland, and the US. See annex for examples of green tasks and occupations.

Source: OECD calculations based on EU LFS, Canadian LFS (StatCan), OEWS (U.S Bureau of Labour Statistics), Table EQ08 (Australian Bureau of Statistics), HLFS (Stats NZ), Slovenian LFS (Statistical Office of the Republic of Slovenia) and Polish LFS (Statistics Poland).

#### Polluting jobs

Polluting jobs in emission intensive sectors, such as mining or oil and gas, are heavily concentrated in some regions, raising the risk of those regions being left behind in the green transition. In Canada, on average around 12.5% of workers are employed in polluting jobs that will face a greater risk of displacement due to the green transition, compared to 11.7% on average in OECD countries. The share of polluting jobs differs across regions in Canada, ranging from 10.8% in Newfoundland and Labrador to 15.2% in Alberta. Since 2011, 9 out of 10 regions in Canada reduced their share of polluting jobs, falling on average by 1 percentage point.

Share of Polluting Jobs (2021)

Higher than 14%

Between 13% and 13%

Below 12%

10.8%

12.6%

12.6%

11.9%

Figure 4 Polluting jobs in TL-2 regions

Note: See annex for further details on polluting occupations Source: OECD calculations based on Canadian LFS (StatCan).

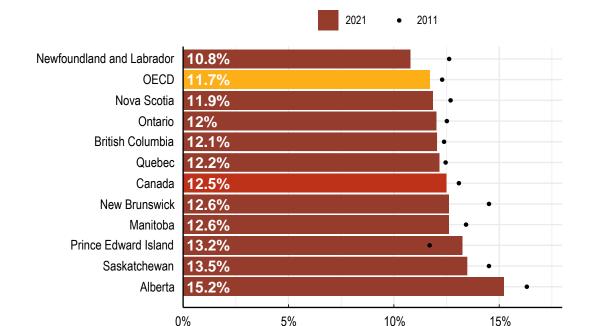


Figure 5 Polluting jobs in TL-2 regions (2011 - 2021)

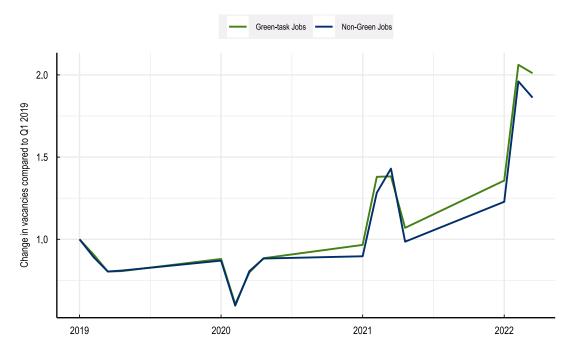
Note: See annex for further details on polluting occupations Source: OECD calculations based on Canadian LFS (StatCan). Share of Polluting Jobs

## Current labour market demand for green-task jobs

Speeding up the slow pace of growth in green jobs is critical to reach net zero. While most local labour markets have not become much greener over the last decade, since the start of the pandemic growth in the demand for green-task jobs has outpaced overall labour market demand by 20% across the OECD.

As the OECD overall, Canada has also experienced faster growth in the demand for green jobs than for non-green jobs. On average, the demand for green jobs grew by 10.3% more between Q1 2019 and Q1 2022. In Canada, the relative growth in the demand for green jobs was highest in Yukon (55.4%) and lowest in Northwest Territories (-18.7%).

Figure 6 Online job posting over time, compared to base year (2019)



Source: OECD calculations based on Lightcast job posting data.

Northwest Territories

-60 -50 -40 -30 -20 -10 0 10 20 30 40 50 60

Difference in the growth rates in the demand for green and non-green jobs (pp) (2019-22)

Figure 7 Relative growth of green and non-green online job postings

Source: OECD calculations based on Lightcast job posting data.

## Annex - Measuring the share of green-task and polluting jobs

#### Green tasks and green jobs

Green-task jobs are defined and analysed at the occupation level based on the greenness of their related task content. It relies on classifications developed by O\*NET, which provides a taxonomy of the greenness of all tasks for more than 900 occupations. Tasks identified as green contribute to environmental objectives such as preserving the environment and reducing emissions.

Using the information on the tasks of an occupation, one can compute a greenness score for each occupation, ranging from 0 to 1. A score of 0 denotes an occupation with no green task. Infographic 2.1 offers a number of illustrating examples of different occupations, including those with a very high greenness score, those with some green tasks, and those with no green tasks. Based on O\*NET's classification, the majority of jobs have no green task. Occupations with no green tasks in O\*NET's classification are not necessarily 'dirty', as illustrated by examples below.

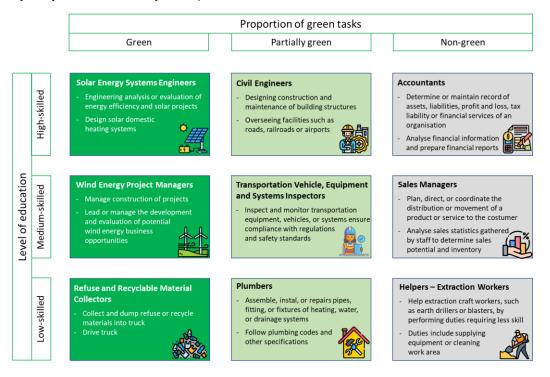


Figure 8: Occupation and task examples

Note: The greenness of occupations is based on their task content and the fact whether those tasks are green or not. The greenness score of occupation ranges from 1 (all tasks are green) to 0 (all tasks are non-green). The classification of high-, medium-, and low-skilled occupations follows ISCO.

Source: OECD elaboration based on O\*NET's Green Tasks Data.

#### Green-task jobs

To examine the geography of jobs with a significant share of green tasks and to examine differences across workers within regional labour markets, a binary measure is constructed which classifies an occupation as being green-task or non-green-task. For this report, green-task jobs consist of those occupations with at least 10% of their tasks considered green.

# Polluting jobs

Polluting jobs are a subset of non-green-task jobs (i.e. they have no green tasks) that are particularly concentrated in highly polluting sectors, based on the emission of seven contaminants: CO, VOC, NOx, SO2, Pm10, PM2.5, lead and CO2.

#### References

OECD (2023), Job Creation and Local Development 2023 – Bridging the Great Green Divide: https://doi.org/10.1787/21db61c1-en

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