More job creation potential in clean energy than in oil and gas

By JOAN McFARLAND

Government leaders and a number of other pundits are telling us that New Brunswick needs the shale gas industry and the West-East pipeline for “the sake of the economy.” But, particularly in regard to this province’s unemployment problems, they are saying, basically, that “there is no alternative” to the oil and gas economy even while admitting that both of these fossil fuel projects pose risks to the environment and bring on climate change.

The position that there is no alternative for the economy ignores a number of studies done in the last few years that show that investment in a green economy—e.g., in alternative energy, energy efficiency and low carbon transportation—is a far better engine of job creation than the oil and gas industry. All of these studies are available online.

A 2012 study by BlueGreen Canada entitled, More Bang for Our Buck, found that for every two jobs created in oil and gas, fifteen jobs could be created in clean energy. An earlier study (2010) also by BlueGreen Canada, “Falling Behind: Canada’s Lost Clean Energy Jobs”, concluded that if Canada had matched, on a per capita basis, the spending on renewable energy arising out of the 2009 American Recovery and Reinvestment Act, 66,000 (well paying) jobs could have been created in this country.

Even closer to home, there was an important study published in May 2012 by Environment New Brunswick entitled Energy Efficiency: Engine of Growth in Eastern Canada, calculated potential macroeconomic effects of expanded energy efficiency programs for the region as a whole and for each province individually. In terms of job creation in New Brunswick, over a 28-year period, the study found that investment in energy efficiency programs alone (e.g., not even including new clean energy) could drive the creation of between 40,700 and 24,880 jobs by employment in the province. The low estimate, 10,700 jobs, is based on using just some of the potential of energy efficiency for job creation, while the high estimate, 24,880 job years, is based on using the maximum such potential.

The recent elimination of two energy efficiency programs at Efficiency New Brunswick flies in the face of the message of the ENE study. The message of the ENE study is that energy efficiency programs, in addition to lowering greenhouse gas emissions, are an investment in job creation for the province. Instead, it would seem, the programs were being seen merely as a cost which, if cut, would contribute towards the improvement of the province’s fiscal situation.

Each of the studies described above is based in a growing recognition of the job creation potential of investment in clean energy. In their 2011 Massachusetts study, Green Recovery: A New Program to Create Good Jobs and Start Building a Low-Carbon Economy, Green Recovery showed the potential of green energy to provide good jobs to the nation, cushioning the U.S. economy from the 2008 financial crisis. Six key strategies were identified: retrofitting buildings, expanding mass transit and freight rail infrastructure, and reclaiming and recycling the nation’s waste. In these strategies, the study estimated that two million jobs could be created over a two year period, which offered a major contribution to the recovery of the U.S. economy.

Conclusion. There is something missing in the conversation about New Brunswick’s employment prospects. There is no mention of the job creation potential. In fact, the projects that are currently being touted offer relatively low job creation potential. Hopefully, when attention is brought to studies, which address the question of the job creation potential of various projects, the current buzz about the pipeline and shale gas has subsided, public policy can turn to the greater potential of clean energy and energy efficiency.