

ARTICLE 2

The Challenge of Green Job Creation: Can It Offset Fossil Fuel Job Redundancies?

Global warming and decarbonization both pose threats to existing job roles, but workers are willing to reskill in the face of the impending transition. They need help finding new opportunities.

KEY TAKEAWAYS

76% of our Workforce Attitudes to the Net Zero Transition 2024 survey respondents were open to reskilling within their current role, but transferring from one industry to another is seen as more challenging. This is where training and financial support will make the difference.



Disorderly decarbonization — where jobs are at risk

The ongoing effects of global warming are endangering the livelihood of millions — if not billions — of people. And, in a double bind, taking action to combat this trend through decarbonization is having an impact on the job security of a sizable portion of the globe's population.

Worldwide, 800 million jobs are at risk because of either climate change or decarbonization efforts — almost a quarter of the global workforce.⁶

In Africa and the Asia Pacific — which include India and China, the world's two most populous countries — more than 40% of the workforce is at risk, mainly because of these regions' high exposure to global warming. Meanwhile, in the Americas, 27% of all jobs are endangered due to the decarbonization efforts underway in some sectors.⁶

Around the world, two main job types are at risk in the coming decades: those in emissions-intensive sectors and those in climate-reliant industries. As a consequence of both physical climate threats and transition-related risks, the most exposed sectors are [agriculture, energy and power, heavy industry and manufacturing, transportation, and construction](#).⁷

The transition to net zero will, however, create new opportunities. In the updated Net Zero Emissions by 2050 Scenario, 30 million new clean energy jobs are expected to be created by 2030.⁸

However, there could be a mismatch between when and where new jobs are created and where redundancies are occurring. As a result, new opportunities don't automatically offset the jobs lost.

Disorderly scenarios make it harder for fossil fuel companies to pivot to renewables. New industries don't automatically replace those lost in a region, and it can be difficult to uproot families and travel to where the work is available.

Our Workforce Attitudes to the Net Zero Transition 2024 survey found that mobility is a significant challenge for the workforce. This challenge suggests that new jobs in green industries aren't, on their own, sufficient to offset the redundancies that lie ahead.

In Europe, the ten regions most exposed to decarbonization are, unsurprisingly, home to sizable hydrocarbon-related employment. This concentration of employment, together with their low adaptive capacity, could lead to the loss of up to 4.5% of all jobs in the respective regions before 2035.⁹

800 million

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Employee attitudes about relocating and reskilling

For affected workers, finding new employment is far from straightforward.

Overall, there is a general willingness by employees to reskill to a new role within their current industry (76%) or even into a new industry (71%). There is, however, more resistance to moving location for a new role (30%). But the findings on this are nuanced, with India (48%) and Brazil (42%) showing far more appetite for moving for work than countries in Europe (26%) and North America (28%), as well as Australia and New Zealand (27%).

Those working in mining, oil and gas, or [construction](#) demonstrated the most openness towards reskilling for a role in a new industry.

When asked to consider which industries they'd be most happy transitioning into, respondents indicated that technology, [renewables](#) and [nuclear energy](#), IT/computing, and manufacturing were the most popular choices.

Perhaps unsurprisingly, younger workers exhibit the greatest appetite to reskill, being further away from retirement and more likely to have young, dependent children.

Over three-quarters of respondents aged 18-54 were open or very open to reskilling within their current role. However, attitudes towards reskilling were also quite strong in the older age group, with 65% of those aged 55 and above receptive to reskilling.

The clear appetite for reskilling means that companies, governments, and other key stakeholders can work together to leverage the adaptiveness among workers at the frontline of the transition to retrain and upskill for new roles.

