# **Iceland**



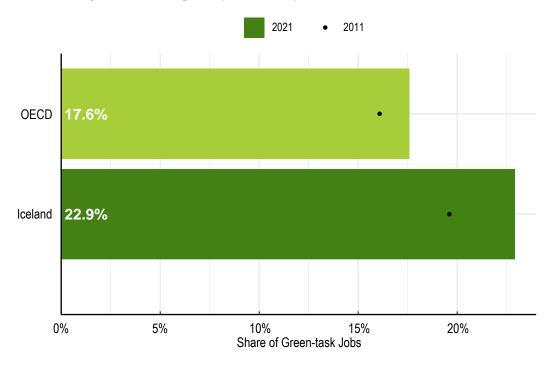
The report Job Creation and Local Economic Development 2023: Bridging the Great Green Divide assesses the local labour market impact of the green transition. It presents novel evidence on the share of jobs with a significant proportion of green tasks (green-task jobs) as well as polluting jobs, those 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 Iceland?

#### Regional employment in green-task jobs

In Iceland, on average around 22.9% of workers are employed in jobs with a significant share of green tasks that contribute to environmental objectives. This is 5.4 percentage points more green than the OECD average of 17.6%.

Figure 1 Green-task jobs in TL-2 regions (2011 - 2021)



Note: See annex for examples of green tasks and occupations.

Source: OECD calculations based on EU LFS.

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

Figure 2 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 Iceland, on average around 11.5% 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.

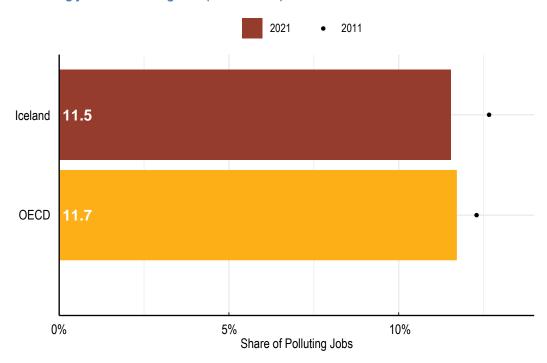


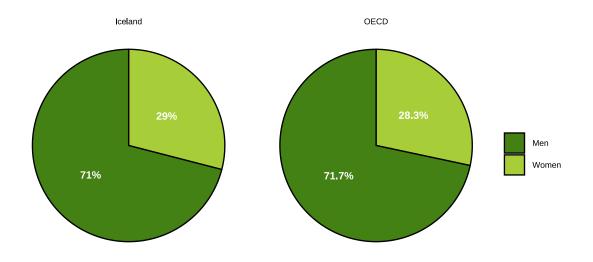
Figure 3 Polluting jobs in TL-2 regions (2011 - 2021)

Note: See annex for further details on polluting occupations Source: OECD calculations based on EU LFS.

## Green-task jobs: a new gender divide

Women are drastically underrepresented in green jobs. On average, women account for less than third (28.3%) of workers in green-task jobs across the OECD. In Iceland, women make up a higher share, accounting for 29% of workers in green-task jobs.

Figure 4 Share of women in green jobs



Note: Data for 2021. See annex for examples of green tasks and occupations. Source: OECD calculations based on EU LFS.

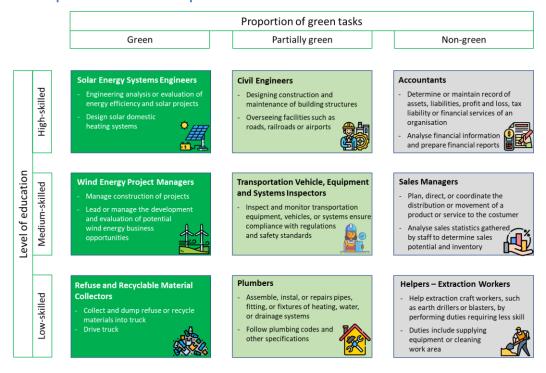
#### Annex - Measuring the share of green-task and polluting jobs

#### 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 5 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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