



## The Facts about the Spanish Renewable Jobs “Study”

### What the study says

The 51-page document, issued in February, 2009, was drafted by researchers loosely affiliated with Spain’s Juan Carlos University. The report aims to shape energy policy in the United States away from renewable energy rather than discuss conditions in Spain. Among the conclusions: “The study calculates that since 2000 Spain spent €571,138 to create each “green job”, including subsidies of more than €1 million per wind industry job...The study calculates that the programs creating those jobs also resulted in the destruction of nearly 110,000 jobs elsewhere in the economy, or 2.2 jobs destroyed for every ‘green job’ created.” The study warns that, “The U.S. should expect a loss of at least 2.2 jobs on average, or about 9 jobs lost for every 4 created.” The report also says that “Spain’s ‘green jobs’ policy clearly hinders Spain’s way out of the current economic crisis, even while U.S. politicians insist that rushing into such a scheme will ease their own emergence from the turmoil.”

### Report’s Methodology Questioned

The methodology used by the Spanish researchers has been widely criticized. The study is largely based on assumptions, few of them documented. The report does not point to any job losses that are directly attributable to investment in renewable energy. As the Wall Street Journal reported in its energy and environment blog, “The study doesn’t actually identify those jobs allegedly destroyed by renewable-energy spending. What the study actually says is that government spending on renewable energy is less than half as efficient at job creation as private-sector spending.”

An analysis by the Center for American Progress said, “The Spanish study... does not even attempt to offer an analysis of the full range of jobs under consideration in the United States. The study is limited only to an analysis of one restricted slice of the larger clean-energy portfolio in Spain: public investment in renewable energy projects. ... [T]he report assumes that every \$1 spent by the public sector represents \$1 less spending by the private sector. Using this assumption the report “proves” that Spain’s investment in clean energy resulted in a net job loss because the authors assume that public spending completely crowds out private spending and that public spending creates fewer jobs on average than private spending—in this case, public spending on promoting energy investments...The report takes the amount of money that was spent to stimulate clean-energy independence in Spain, derives the number of jobs that were created as a result of this effort, generates a number of other jobs which could have been created with the same investment, and then reports the difference as a finding.”



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### The View from Abroad

The Spanish Ministry of Labor has found that, contrary to the Spanish study, renewable energy industries have created 175,000 jobs and the European Commission found that aggressive renewable policy would create a net increase of over 400,000 jobs in the European Union by 2020, giving “a significant boost to the economy and the number of jobs in the EU”.

The Global Wind Energy Council said, “The underlying assumption is that public investment in renewables would otherwise have been spent for employment creation by the private sector, but this claim is entirely unfounded. In Spain, the support for renewable energy came out of existing tax revenues, so it did not take any money away from the private sector, so this logic does not hold. In addition, the study does not identify the jobs allegedly ‘destroyed’ by spending in renewable energy. In Spain, renewable electricity accounted for 15% of the country’s power demand in 2008, a high share, which would otherwise have been produced by a different electricity generation technology, probably fossil fuel based. It is a well known fact that labour intensity of these technologies is far lower than renewable energy.”

### U.S. Wind Jobs

The facts are, the wind industry in the U.S. employs 85,000 people. These are real jobs of AWEA members and other companies who are employing people in all sectors of the wind energy supply chain, from project developers and turbine manufacturers to large load transportation specialists and component parts, electronics, and high-tech materials manufacturers. The U.S. economy has lost millions of jobs over the last 18 months – these losses are unrelated to renewable energy development. Nonetheless, as jobs in other sectors of the U.S. economy were lost, there was a 70% increase in wind energy jobs in 2008 (from 50,000 employees at the end of 2007 to 85,000 at the close of 2008).

Wind energy offers numerous, long term economic benefits:

- jobs in virtually every sector of the economy – construction, manufacturing, transportation, engineering, forecasting, and wind farm operations
- promising, high-quality jobs that are here to stay. Jobs in industries that are becoming obsolete are not a path to future success and stability for American workers;
- reduced dependence on fuel imports and a reliable hedge against fuel price fluctuations; and
- stronger economies in rural communities, through investments in electric generation and manufacturing facilities.

The U.S. Department of Energy finds that with wind providing 20% of our nation’s electricity supply, more than 500,000 domestic jobs would be supported by the U.S. wind industry.