# Will the circular economy steal my job?

Now that we have your attention: in short, no. While some may assume that increased efficiency or reduced demand stemming from more 'circular' interventions will lead to job losses across certain industries, this isn't necessarily the case—a circular economy will not steal your job. In fact, it could make your job better.

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The circular economy requires manual and practical labour, just as it requires highly-skilled work in designing and engineering new solutions. If managed well, the circular economy has the potential to create new opportunities—and reshape existing jobs—for all types of workers.

As we usher in June with 2023's *World Circular Economy Forum* in Helsinki, focus is shifting to the *how* of the circular transition, pinpointing both potential and barriers. For this, jobs are a crucial lever. Knowing that the circular economy will change the world of work, we are presented with an opportunity. We have the opportunity to rethink not only how we manage material flows but also people. We have the opportunity to restructure labour markets in ways that improve the quality of work, promote inclusive workplaces and provide workers with continuous learning and upskilling opportunities so that they can adapt to the changing demands that come with innovation and new business models.

### What are circular jobs?

To better understand the impact of circularity on labour markets, we must first understand what a circular job actually is. Simply put, a circular job is any occupation that directly involves or indirectly supports one of the <u>strategies of the circular economy</u>. These strategies involve the way we manage materials by using less, using longer, regenerating and recycling.

At <u>Circle Economy</u>, we differentiate between <u>three types of circular jobs</u>: core, enabling and indirect circular jobs. <u>Core circular jobs</u> are those that directly ensure the closure of raw material cycles—think renewable energy and waste management. Meanwhile, <u>enabling circular jobs</u> remove barriers and enable the acceleration and upscaling of core circular activities. This includes jobs arising from education, design and digital technologies. Finally, <u>indirectly circular jobs</u> uphold the circular economy. These are jobs that provide services to core circular strategies, including information services, logistics and the public sector.



Core circular jobs are those that may immediately jump to mind when thinking of the circular economy—like waste management. Photo by <u>zibik</u> on <u>Unsplash</u>

### Jobs will change across the sectors most crucial to the transition

In transitioning to a circular economy, we must leverage four key systems. Our *Circularity Gap Report 2023* finds: transforming how we build, farm and eat, get from place to place and manufacture the goods we use every day will have the greatest impact on material use and emissions. But doing so will also entail a huge shift in the labour market, spurring the creation of new jobs at every level across multiple industries. What might these jobs look like? Many circular jobs already exist, we just don't label them as such. To better illustrate future circular employment, we've highlighted circular jobs across the built environment, food systems, transportation and manufacturing.

#### **Built environment:**

- Circular design: Architects and engineers will need to be trained in circular practices, including modular construction, design for deconstruction, passive design and material use. An understanding of building certifications, such as LEED and BREEAM, will also be relevant as the sector transitions to more sustainable practices.
- 2. Facility management and retrofitting: Professionals in construction that can manage, maintain and retrofit existing buildings to improve energy efficiency and resource utilisation will be essential to a more circular built environment. They will need to be skilled in energy audits, building performance analysis and retrofitting strategies.

#### Food systems:

- 1. Sustainable agriculture and farming practices: Workers in this field must understand regenerative agriculture, precision farming and agroecology to enhance soil health and boost biodiversity and local ecosystems. This may also include the development of new farming methods to cut waste and increase efficiency.
- 2. Biorefineries and biomaterials production: Experts in biotechnology and bioprocessing will have a vital role to play in valorising waste streams, producing bio-based materials and creating added-value products from biomass. This includes skills in microbial fermentation, enzyme technology and bioconversion processes.

#### Transportation:

- 1. Electric and alternative fuel vehicles: Engineers, technicians and specialists with expertise in electric vehicles, charging infrastructure, and alternative fuels will be essential for driving the transition to cleaner and more circular mobility.
- 2. Shared mobility and mobility-as-a-service (MaaS): Experts who can develop and manage shared mobility solutions, including car-sharing, ride-hailing and bike-sharing, as well as those working for MaaS platforms, will be major players in circular transportation.

#### Manufacturing:

 Resource and waste management: These professionals will need skills in waste management, including the identification and separation of materials, recycling and upcycling, and materials tracking and traceability. Many such occupations are already in existence. For example: logistics manager, waste valorisation professional, waste management trainer, technical engineer for recyclable products and strategic waste manager. 2. Additive manufacturing and digital fabrication: Engineers, technicians and specialists with expertise in additive manufacturing (3D printing) and digital fabrication technologies will be crucial for enabling localised, flexible and resource-efficient production.

## HR has a role to play in supporting circularity in the workplace

As these new and different roles emerge, HR departments across sectors will have a key role to play as a linking pin between management and operations. They can help develop, reinforce and shift organisational culture towards more circular practices. As younger workers become increasingly purpose-driven in their work, part of the onus will fall on HR professionals to ensure that circular values are espoused in office culture, if not in their companies' business models.

With the power to attract the right talent—and keep it in-house—HR professionals may aim to nurture circular skills within their workforce, ensuring that these skills feature highly in their companies' long-term strategies and organisational visions. Supporting initiatives to up- and reskill employees will be essential to prepare workers for the transition, ensuring nobody is left behind. By promoting Industry 5.0—which strives for harmony between people and planet—HR can offer their workforce opportunities for self-development in areas that go beyond their regular tasks and responsibilities. In essence, their role will be to prepare workers for meaningful work in the long term.

Some companies are already paving the way with best practices: <u>French</u> <u>electronics repair startup, Murphy</u>, provides training to new employees on hire, for example—requiring few qualifications to begin with.

### For the future of circular work, lifelong learning will be crucial

Our latest report, <u>Decent Work in the Circular Economy</u>, illustrates that while research on circular jobs in the Global South is lacking, there's plenty of research regarding circular employment in the Global North that helps us to understand the labour market. This research highlights that the circular economy transition won't be just by default—we must make it so.

As jobs change, we must keep a critical eye on potential trade-offs or down-sides: circular activities, for example, can include temporary, flexible or informal work, all of which can be precarious—these atypical work forms often lack collective bargaining power and are excluded from social protection schemes. As activities shift from extractive roles to labour-intensive—but also service-oriented—roles, such as repair and recycling, workers must be redeployed in a safe and supported way: here, policy and training will be crucial. Revamping the image of vocational education and training (VET)—involvement in which is declining in many Global North countries—will be crucial to meet demand for labour-intensive roles. In the UK, the interest is already there: recent graduates are favouring vocational qualifications, yet funding is lacking—having fallen by 16% over the last decade. And as employment in these kinds of professions shrinks, so does access to further education: a crucial part of redeploying workers to further the circular economy transition.



Vocational education and training will be a key avenue to increase circularity in the labour market. Photo by <u>PTTI EDU</u> on <u>Unsplash</u>

It's clear that the conventional education system can't keep up with the scale and speed at which we need change—it's time to design educational programmes fit for current and future challenges and ensure all sectors get involved to ensure the inevitable circular transition benefits work and workers.

The circular economy won't steal your job—but it may change it. Are you equipped with the skills it requires to thrive?

#### Learn more

Circle Economy's recent report, <u>Decent Work in the Circular Economy</u>, highlights the challenges and opportunities a circular labour market may

bring. Would you like to learn more about how we put people at the heart of the circular economy? *Explore our research* or get in touch *here*. Learn more about the transformative power of vocational education and training in our WCEF 2023 session, *New Education for a Changing World*.

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