## ?: What is NET EFFECT ON JOBS of:

- Carbon Pricing – Cap and Trade As Such or Simple Carbon Fee (EPA?) (Waxman III-V or BK)
- Sectoral Measures like –
  - Efficiency standards (Skip; Waxman Titles I-II)
  - Renewable efforts (Waxman Titles I-II, Bingaman)
  - Carbon Capture and Sequestration CCS or Reuse CCR (e.g. www.calera.biz, www.aurorabiofuels.com)
  - Highway vehicles (China or www.werbos.com/oil.htm)

## Job Losses & Gains if Carbon Fee

- Possible Losses (www.cbo.gov, 10/14/9, p.16)
  - Energy intensive industries (e.g. metals or refined petroleum products) due to unfair foreign competition. Answer: “border adjustments” but must be right
  - Coal mining, due to cost of cleanup and fuel competition of existing plants. Answer: CCR.
  - Resources for Future (RFF) cites 3 multisectoral models
- Possible Gains:
  - Big new investment in core electricity sector – generation, transmission, efficiency. Needs P certainty; better if brain-like “smart grid”. Construction & steel.
  - Construction & steel to implement CCR.

# Job Losses & Gains Sectoral

- BIG JOB ISSUE FOR US: NUMBER OF JOBS VERSUS $ OF GOVERNMENT DEFICIT.
- Recent news – greatest job impact was for cash for clunkers and home-owner tax credit, not the technical options most economists are looking at today.
- Conclusion: for maximum jobs, put money into incentives in these sectors – construction, steel and autos – which stimulate more private investment per dollar of deficit. Pay, if necessary, with matching equal taxes in less useful areas, like carbon and gasoline.
- Can allow large job creation, where it is needed most, without adding to total deficit or total taxes.