

## The **People** of the U.S. Oil and Natural Gas Industry are Changing the Vision of Our Energy Future.

Technological innovations in America's oil and natural gas industry are resulting in new opportunities to put more people to work, boost domestic production, grow government revenue, and save many billions annually in imported energy costs.

The oil and natural gas industry provides most of the nation's energy and is backed by a growing grassroots movement of over 20 million Americans. The industry also supports nearly 10 million American jobs and makes significant economic contributions as an employer and purchaser of American goods and services. In 2011, the most recent year for which data are available, the industry supported a total value added to the national economy of more than \$1 trillion or 8 percent of the US. gross domestic product.

- Employment is defined as the number of payroll and selfemployed jobs, including part-time jobs.
- 2. Labor income is defined as wages and salaries and benefits as well as proprietors' income.
- Value added refers to the additional value created at a particular stage of production. It is a measure of the overall importance of an industry.
- Value added consists of: employee compensation, proprietors' income,income to capital owners from property, and indirect business taxes.
- 5. Direct impact is measured as the jobs, labor income, and value added within the oil and natural gas industry.
- Indirect impact is measured as the jobs, labor income, and value added occurring within other industries that provide goods and services to the oil and natural gas industry.

America is on the way to becoming a global energy superpower —but reaching our full potential will also depend on smart energy policy shaped by reason, common sense and experience—an approach that is supportive of domestic energy production, that encourages energy efficiency and investment in advanced technologies, that allows market forces to allocate products, that refrains from new taxes on the oil and natural gas industry, and that supports the need for the U.S. to participate actively in global energy markets.

## The Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy in 2011 by Industry

Industry	Employment <sup>1</sup> Labor Income <sup>2</sup> (\$ millions)		Value Added <sup>3</sup> (\$ millions)				
Direct Impact <sup>4</sup> of the Oil and Natural Gas Industry	2,590,700	\$203,591	\$551,018				
Indirect <sup>5</sup> and Induced Impacts <sup>6</sup> on Other Industries	7,242,600	\$394,024	\$658,372				
Services	3,469,600	\$176,872	\$215,339				
Wholesale and Retail Trade	995,600	\$44,676	\$73,880				
Finance, Insurance, Real Estate, Rental and Leasing	876,200	\$45,526	\$171,420				
Manufacturing	602,000	\$44,767	\$75,769				
Construction	450,900	\$24,932	\$27,212				
Transportion and Warehousing	286,500	\$14,942	\$20,501				
Other	276,600	\$19,758	\$22,174				
Information	136,900	\$14,242	\$28,660				
Agriculture	102,100	\$3,183	\$4,854				
Utilities	28,600	\$3,781	\$15,115				
Mining	17,400	\$1,346	\$3,448				
Total Economic Impact	9,833,200	\$597,615	\$1,209,389				
As a % of U.S. Total	<b>5.6</b> %	<b>6.3</b> %	8.0%				
Source: PWC, "Economic Impacts of the Oil and Natural Gas Industry on the US Economy in 2011," July 2013, prepared for API using the IMPLAN input-output modeling system based on 2011 BEA data.							

Numbers may not add to totals due to rounding.



## Learn more at www.api.org

## The Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy in 2011 by State

Operational Impacts by State <sup>1</sup>	Employment <sup>2</sup>		Labor Income <sup>3</sup>		Value Added <sup>₄</sup>	
	Number	% of State Total	\$ Million	% of State Total	\$ Million	% of State Total
Alabama	103,300	4.2%	\$4,904	4.2%	\$11,328	6.4%
Alaska	56,600	11.9%	\$4,502	12.6%	\$19,277	34.7%
Arizona	97,100	3.0%	\$4,654	3.0%	\$9,017	3.4%
Arkansas	92,500	5.9%	\$4,220	6.3%	\$8,063	7.8%
California	793,200	4.1%	\$58,884	4.9%	\$131,445	6.7%
Colorado	213,100	6.7%	\$14,088	8.1%	\$25,811	9.1%
Connecticut	59,400	2.7%	\$4,160	2.8%	\$7,683	3.3%
Delaware	16,100	3.0%	\$957	3.2%	\$1,966	4.1%
District of Columbia	13,700	1.7%	\$1,427	1.3%	\$2,703	1.9%
Florida	286,800	2.9%	\$12,919	2.8%	\$23,154	3.1%
Georgia	141,600	2.7%	\$6,765	2.5%	\$12,902	3.0%
Hawaii	20,500	2.3%	\$1,036	2.0%	\$2,167	2.9%
Idaho	27,000	3.1%	\$1,041	2.9%	\$1,797	3.1%
Illinois	263,700	3.6%	\$15,745	3.8%	\$33,308	5.1%
Indiana	136,400	3.8%	\$6,699	4.1%	\$16,596	6.3%
Iowa	65,100	3.3%	\$2,568	3.0%	\$4,419	3.1%
Kansas	148,300	8.1%	\$7,211	8.6%	\$12,903	9.5%
Kentucky	94,700	4.0%	\$4,054	3.8%	\$7,868	4.6%
Louisiana	412,600	16.2%	\$24,213	19.4%	\$73,925	35.5%
Maine	28,800	3.6%	\$1,150	3.2%	\$2,370	4.2%
Maryland	75,400	2.2%	\$4,190	1.9%	\$7,085	2.2%
Massachusetts	106,300	2.5%	\$7,118	2.6%	\$12,639	2.9%
Michigan	182,000	3.6%	\$8,808	3.5%	\$15,761	4.1%
Minnesota	122,100	3.5%	\$6,018	3.4%	\$14,306	5.0%
Mississippi	97,800	6.6%	\$4,526	7.4%	\$9,055	9.4%
Missouri	118,800	3.4%	\$5,527	3.3%	\$9,811	3.8%
Montana	43,100	6.7%	\$2,009	7.7%	\$4,547	10.8%
Nebraska	47,200	3.8%	\$2,687	4.7%	\$4,722	5.4%
Nevada	48,600	3.2%	\$2,433	3.2%	\$4,540	3.8%
New Hampshire	24,900	3.0%	\$1,253	2.8%	\$2,250	3.3%
New Jersey	143,900	2.9%	\$10,124	3.3%	\$19,876	4.0%
New Mexico	105,600	9.9%	\$5,350	10.3%	\$11,274	14.2%
New York	270,600	2.4%	\$20,419	2.7%	\$35,197	3.0%
North Carolina	146,100	2.8%	\$6,764	2.6%	\$12,479	3.0%
North Dakota	64,000	12.0%	\$3,831	13.1%	\$6,575	12.3%
Ohio	255,100	3.9%	\$12,744	4.1%	\$28,445	5.7%
Oklahoma	364,300	16.8%	\$23,298	22.9%	\$39,002	23.1%
Oregon	60,400	2.8%	\$2,811	2.8%	\$5,027	3.0%
Pennsylvania	339,000	4.7%	\$19,550	5.1%	\$34,654	5.8%
Rhode Island	15,100	2.5%	\$934	2.8%	\$1,650	3.2%
South Carolina	67,700	2.9%	\$2,634	2.4%	\$4,673	2.8%
South Dakota	22,500	3.9%	\$857	3.5%	\$1,459	3.9%
Tennessee	111,500	3.2%	\$5,086	3.0%	\$8,918	3.4%
Texas	1,938,700	13.6%	\$144,085	18.7%	\$308,346	23.2%
Utah	79,600	4.9%	\$4,092	5.3%	\$8,377	6.9%
Vermont	14,600	3.6%	\$567	3.1%	\$1,042	3.6%
Virginia	141,600	3.0%	\$7,215	2.5%	\$12,461	2.9%
Washington	104,300	2.8%	\$5,908	2.7%	\$14,005	4.0%
West Virginia	80,400	8.9%	\$3,639	8.8%	\$5,756	8.7%
Wisconsin	103,300	3.0%	\$4,557	2.9%	\$7,901	3.1%
Wyoming	80,000	20.4%	\$5,135	21.3%	\$13,019	32.9%
U.S. Operational	8,445,200	4.9%	\$515,368	5.4%	\$1,073,552	7.1%
U.S. Capital Investment <sup>5</sup>	1,388,100	0.7%	\$82,247	0.9%	\$135,837	0.9%
U.S. Total Impacts	9,833,200	5.6%	\$597,615	6.3%	\$1,209,389	8.0%
Source: PWC, "Economic Impacts of the Oil and Numbers may not add to totals due to rounding.	Natural Gas Industry on the	US Economy in 2011," July 2	013, prepared for API using	the IMPLAN input-output mod	eling system based on 201	1 BEA data.

1. Operational impacts measure the oil and natural gas industry's contribution as a purchaser of intermediate inputs. Due to data limitations, only operational impacts are available at the state level.

2. Employment is defined as the number of payroll and self-employed jobs, including part-time jobs.

3. Labor income is defined as wages and salaries and benefits as well as proprietors' income.

4. Value added refers to the additional value created at a particular stage of production. It is a measure of the overall importance of an industry. Value added consists of: employee compensation, proprietors' income, income to capital owners from property, and indirect business taxes.

5. Capital investment impacts measure the oil and natural gas industry's contribution as a purchaser of new structures and equipment.