



JOBS AND THE ECONOMY

America's Independent Oil and Natural Gas Producers Are Job Creators

- Onshore independent producers supported 2.1 million jobs in 2010, a figure that will rise to 2.6 million jobs by 2020.
- One out of every 62 jobs in the United States is attributable to the independents' upstream activities.
- Nearly \$321 billion in economic activity, accounting for 2.2 percent of U.S. GDP, was contributed by the onshore independents' business ecosystem in 2010.
- If the onshore independents' business ecosystem was a state, it would rank #15, based on the \$320.6 billion of value creation in 2010 (independents' onshore economic activity is only expected to rise over the next 10 years, with a contribution slated to be in the trillions).
- Independent oil and natural gas companies operating in the offshore **Gulf of Mexico (GOM)** accounted for more than 200,000 jobs in 2009. Of these jobs, 121,000 were generated by independents in the deepwater GOM alone.
- In 2009, independents operating in the offshore GOM accounted for \$38 billion in economic benefits.
- The jobs created in the oil and natural gas industry tend to be high quality and high paying, given the technologically innovative nature of unconventional oil and gas activity. According to a study done by IHS Global Insight, workers associated with unconventional oil and gas are currently paid an average of \$35.15 per hour - higher than the wages in the general economy (\$23.07 per hour) and more than wages paid in manufacturing, wholesale trade and education, among others.

Independent Producers Deliver Reliable U.S. Energy Supply

- Independents develop roughly 95 percent of the nation's oil and natural gas wells.
- Independents **produce 54 percent of American oil and 85 percent of American natural gas.**
- Independent producers operating **onshore** account for 77 percent of the total natural gas production and 43 percent of the total oil production in America. And these figures are expected to increase over the next 10 years as shale plays and tight oil continue to ramp up around the country.
- According to IHS, the U.S. has the highest rate of growth in crude production capacity in the world and is almost self-sufficient in natural gas, except for some product from Canada.

Independent Producers Provide Much Needed Revenue to Government Coffers

- Onshore independents' upstream activity generated \$30.7 billion in personal income taxes (federal and state), sales tax and excise taxes in 2010.
- Onshore independents' upstream activity generated \$38.4 billion in corporate taxes, severance taxes and federal royalty payments in 2010.
- Independent producers in the offshore GOM generated \$10 billion in federal and state revenue and royalty payments in 2009.

**The figures cited in this document are drawn from The Economic Contribution of the Onshore Independent Oil and Natural Gas Producers to the U.S. Economy and The Economic Impact of the Gulf of Mexico Offshore Oil and Natural Gas Industry and the Role of the Independents, reports conducted by IHS Global Insight.*