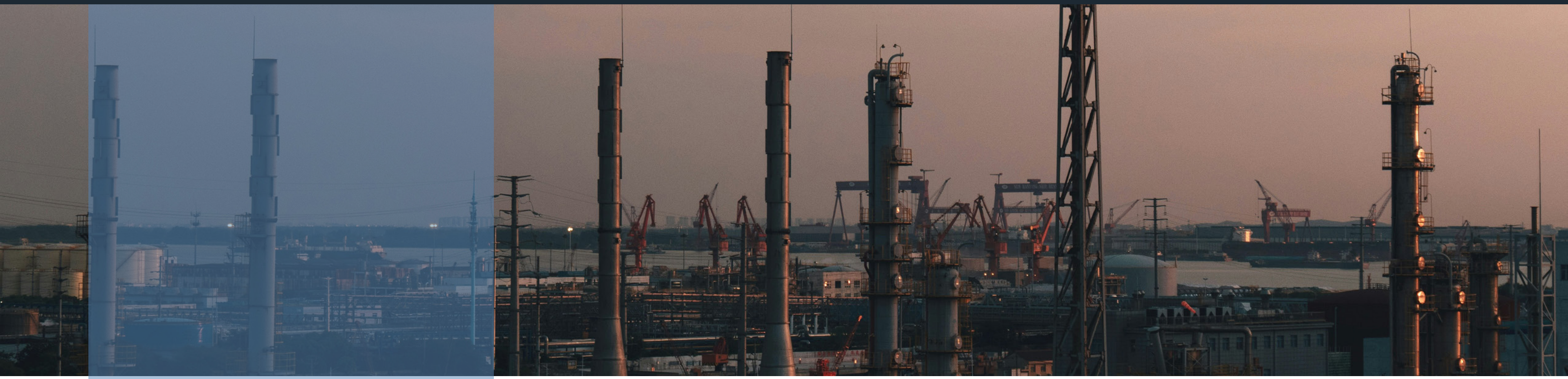
More Oil, Fewer Jobs: Employment Declines in the U.S. Oil and Gas Sector



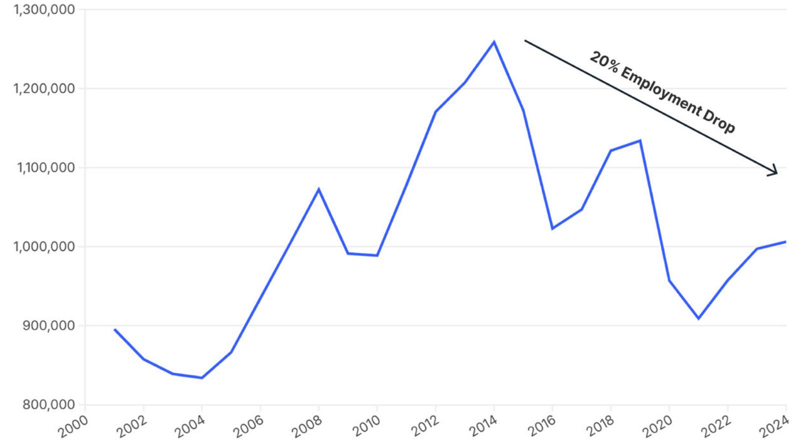
Despite record-setting production in the U.S. oil and gas industry, increased volumes have not translated into more jobs for either the industry or the overall economy. In fact, the industry employs 20% fewer workers than it did a decade ago.

Here are the facts:

- **The U.S. oil and gas industry employs 20% fewer workers today than it did a decade ago, with total employment in the sector falling from 1.26 million to 1 million.**
- **In Texas, oil- and gas-producing regions have economically underperformed, threatening the financial health of regional banks serving the oil patch.**
- **A decade of productivity gains means more oil with fewer workers. The number of jobs required to produce a barrel of oil has fallen by half over the last decade.**
- **Amid steep layoffs and forecasts of prolonged low oil prices, the U.S. oil and gas industry could soon employ fewer people than it did before the onset of the shale revolution.**

The public should take note that job losses, not growth, are often the reality when it comes to the oil and gas sector.

U.S. Oil and Gas Employment



Source: BLS data, modified TIPRO methodology (circa 2014) due to NAICS revisions

Institute for Energy Economics and Financial Analysis