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# *Impacts of the Natural Gas, Oil and Petrochemical Industry on the US Economy in 2018*

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Prepared for

**American Petroleum  
Institute**



**The Economic Impact of the Natural Gas, Oil and Petrochemical Industry in Pennsylvania, 2018**

Sector Description	Direct	Indirect	Induced	Total	As a % of State Total
<b>Employment*</b>					
<b>Industry Direct Impact</b>	<b>112,330</b>			<b>112,330</b>	<b>1.4%</b>
<b>Indirect/Induced Impacts on Other Industries</b>					
<i>Services</i>		61,940	138,730	<b>200,670</b>	
<i>Wholesale and retail trade</i>		11,130	32,570	<b>43,700</b>	
<i>Finance, insurance, real estate, rental and leasing</i>		14,990	26,640	<b>41,630</b>	
<i>Construction</i>		30,120	1,630	<b>31,750</b>	
<i>Manufacturing</i>		17,270	8,090	<b>25,360</b>	
<i>Transportation and warehousing</i>		15,840	9,210	<b>25,050</b>	
<i>Government</i>		2,630	2,800	<b>5,430</b>	
<i>Information</i>		1,960	2,860	<b>4,820</b>	
<i>Agriculture</i>		1,380	1,770	<b>3,150</b>	
<i>Utilities</i>		1,110	730	<b>1,840</b>	
<i>Mining</i>		730	110	<b>840</b>	
<b>Total Impact on Employment</b>	<b>112,330</b>	<b>159,090</b>	<b>225,140</b>	<b>496,560</b>	<b>6.4%</b>
<b>Labor Income** (\$ Millions)</b>					
<b>Industry Direct Impact</b>	<b>\$17,055</b>			<b>\$17,055</b>	<b>3.4%</b>
<b>Indirect/Induced Impacts on Other Industries</b>					
<i>Services</i>		\$4,912	\$7,611	<b>\$12,524</b>	
<i>Finance, insurance, real estate, rental and leasing</i>		\$1,036	\$1,506	<b>\$2,541</b>	
<i>Wholesale and retail trade</i>		\$937	\$1,438	<b>\$2,375</b>	
<i>Construction</i>		\$2,064	\$111	<b>\$2,174</b>	
<i>Manufacturing</i>		\$1,401	\$604	<b>\$2,005</b>	
<i>Information</i>		\$790	\$883	<b>\$1,673</b>	
<i>Transportation and warehousing</i>		\$967	\$509	<b>\$1,476</b>	
<i>Government</i>		\$226	\$237	<b>\$463</b>	
<i>Utilities</i>		\$166	\$106	<b>\$272</b>	
<i>Agriculture</i>		\$40	\$49	<b>\$88</b>	
<i>Mining</i>		\$32	\$5	<b>\$37</b>	
<b>Total Impact on Labor Income</b>	<b>\$17,055</b>	<b>\$12,569</b>	<b>\$13,060</b>	<b>\$42,684</b>	<b>8.6%</b>
<b>Value Added (\$ Millions)</b>					
<b>Industry Direct Impact</b>	<b>\$40,171</b>			<b>\$40,171</b>	<b>5.1%</b>
<b>Indirect/Induced Impacts on Other Industries</b>					
<i>Services</i>		\$5,867	\$8,888	<b>\$14,755</b>	
<i>Finance, insurance, real estate, rental and leasing</i>		\$2,700	\$5,605	<b>\$8,305</b>	
<i>Wholesale and retail trade</i>		\$1,443	\$2,220	<b>\$3,663</b>	
<i>Manufacturing</i>		\$2,202	\$1,183	<b>\$3,385</b>	
<i>Information</i>		\$1,273	\$1,627	<b>\$2,900</b>	
<i>Construction</i>		\$1,753	\$153	<b>\$1,906</b>	
<i>Transportation and warehousing</i>		\$1,093	\$581	<b>\$1,674</b>	
<i>Utilities</i>		\$557	\$361	<b>\$918</b>	
<i>Government</i>		\$294	\$315	<b>\$609</b>	
<i>Mining</i>		\$150	\$23	<b>\$174</b>	
<i>Agriculture</i>		\$52	\$78	<b>\$130</b>	
<b>Total Impact on Value Added</b>	<b>\$40,171</b>	<b>\$17,384</b>	<b>\$21,035</b>	<b>\$78,590</b>	<b>10.0%</b>

Source: PwC calculations based on the IMPLAN modeling system (2018 database). Details may not add to totals due to rounding.

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

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