

MINORITY AND FEMALE EMPLOYMENT

IN THE OIL & NATURAL GAS AND PETROCHEMICAL INDUSTRIES, 2015-2035



KEY FINDINGS

Continuing a series of research studies, a new IHS report titled *Minority and Female Employment in the Oil & Natural Gas and Petrochemical Industries, 2015-2035* examines the long-term U.S. demographic and labor market trends that will create future job opportunities for minorities and women in the oil & natural gas and petrochemical industries. This comprehensive study presents projections of job opportunities by occupation, industry segment, minority group, and gender based on baseline industry growth and investment, jobs arising from pro-development policies, and the need to replace workers retiring from the industry. These employment projections should not be considered ceilings, but are estimates based on current and projected trends in factors such as labor force participation rates and population growth rates.

The principal findings of the new IHS report include:

- Nearly **1.3 million job opportunities** by 2025 and **close to 1.9 million job opportunities** by 2035 in the oil & natural gas and petrochemical industries considering all types of job growth.
- **707,000 jobs**, or 38% of the total, are projected to be filled by **African American and Hispanic workers** through 2035. (131,000 for African Americans and 576,000 for Hispanics).
- **Women** in the industry are projected to account for **more than 290,000 of the job opportunities**, 16% of the total through 2035.

THE NEARLY 1.9 MILLION DIRECT JOB OPPORTUNITIES PROJECTED THROUGH 2035 IN THE OIL & NATURAL GAS AND PETROCHEMICAL INDUSTRIES SPEAK TO THE CONTINUING IMPORTANCE OF THESE INDUSTRIES IN THE U.S. ECONOMY AS A WHOLE AND TO INDIVIDUALS AND FAMILIES LOOKING FOR WELL-PAYING CAREER OPPORTUNITIES.

IN FACT, BASED ON AVERAGE ANNUAL WAGE DATA FROM THE BUREAU OF LABOR STATISTICS, THE AVERAGE ANNUAL PAY IN THE OIL AND NATURAL GAS INDUSTRY IS OVER \$100,000, NEARLY \$50,000 HIGHER THAN THE 2014 U.S. AVERAGE.



OPPORTUNITIES FOR MINORITIES

- The share of minorities employed in the oil & natural gas and petrochemicals industries is rising: Minority employment will rise from about one-quarter of the total in 2015 to **more than one-third (36%) in 2035**.
- **African American** and **Hispanic** workers are projected to make up **over one-fourth** of the new hires in management, business, and financial jobs in the industry through 2035.
- Meaningful career opportunities also exist in the industry for other minority groups, such as Native Americans and Asian Americans. For example, in 2011 an estimated 20% of known U.S. oil and natural gas reserves were beneath tribal lands, with the Department of the Interior estimating that Indian lands could produce up to 5.35 billion barrels of oil and 37.7 trillion cubic feet of natural gas.

OPPORTUNITIES FOR WOMEN

There are already **more than 237,000 women working in the oil & natural gas and petrochemical industries**. Nearly half of those women (over 114,000) work in management and professional occupations.

- IHS projects continued opportunity for women in management and professional fields, with women accounting for 154,000 of these job opportunities through 2035.
- Much of the job growth is projected to occur in blue collar professions. There is significant potential for female blue collar employment if interest and training are directed toward women to increase female participation in those areas.

OPPORTUNITIES BY OCCUPATION

- **Fifty-seven percent of the job opportunities through 2035 are projected to be in blue collar occupations.** This suggests tremendous opportunity for workers with a high school diploma and some post-secondary training (e.g., certificates and community college).
- **One-third of the job opportunities are projected to be in management and professional fields** such as engineering, geoscience, management, finance, and as technicians. African Americans, Hispanics, and women who successfully complete college degrees in these fields would be highly competitive for workforce placement.

This study is part of a series of work developing strategies, research, and programs to better understand the challenges and opportunities associated with engaging and growing high impact strategic partnerships. **Minority workers and women represent critically vital and available talent pools to help meet the industry's future workforce demands.** Workforce training is key to this projected growth. In order for minority workers and women to be competitive for the 1.9 million job opportunities it will require:

- Significant improvement in minority and female participation in Science, Technology, Engineering and Mathematics (STEM) related disciplines at the primary and secondary school levels;
- Significant improvement in high school completion rates for Hispanics and African Americans;
- Secondary and post-secondary staff (e.g., principals, faculty, counselors) being trained to inform their students on the workforce opportunities in the industry and the training required;
- Partnerships between higher education and industry, especially at the community college level.

