

MILLENNIALS

IN THE OIL & NATURAL GAS AND PETROCHEMICAL INDUSTRIES

With nearly 1.9 million job opportunities projected in the oil & natural gas and petrochemical industries through 2035, there is a vast opportunity for the industry to attract, retain, and develop lifelong careers for Millennials. Millennials today have unique characteristics that will enable them to power past impossible. By harnessing this generation's unshakable confidence in a better future and use of technology, the industry is positioned well to address tomorrow's greatest challenges.

Millennials already account for more than one-third of today's workforce in the oil and natural gas industry.

GENERATION ATTRIBUTES

Millennials as a group are more diverse and better educated than previous generations, providing an opportunity for our industry to tap a broader set of skills and more diverse intellect, creativity and perspectives than ever before, which will strengthen our industry now and into the future.

Compared to Baby Boomers and Gen-Xers, Millennials are:

- More diverse**—45% of Millennials in 2016 were Hispanic, African American or from some other minority group, compared to one-third of Gen-Xers and 22% of Baby Boomers at a corresponding age.
- Better educated**—About 66% of Millennials age 25-34 in 2016 have had at least some college coursework, compared with 56% of Gen-Xers at a corresponding age and 45% of Baby Boomers.
- More likely to be in professional, technical, and service occupations**—Nearly 50% of working Millennials are employed in professional, technical, and service occupations compared to 33% of Gen-Xers and 30% of Baby Boomers at the same age.

The oil & natural gas and petrochemical industries must employ the next generations' best and the brightest and harness their potential. Only then can we meet the challenges we will undoubtedly face and create tomorrow's innovations that will allow our nation to power past what we consider impossible today.

MILLENNIALS IN THE INDUSTRY¹

- Millennials account for **34% of total industry employment**, nearly identical to Millennials' 35% share in the overall U.S. economy in 2015. This shows that Millennials are choosing to work for the oil & natural gas and petrochemical industries at the same rate as other industries.
- Millennials' share of employment is highest in blue collar occupations within the oil & natural gas and petrochemical industries, despite a national trend of this generation shifting away from blue collar jobs. Millennials account for **46% of all industry employment in unskilled blue collar occupations and 42% in semi-skilled blue collar occupations**.

Millennials are defined as those born in 1981-2000 (and immigrants of corresponding ages). Thus, in 2015 Millennials in the workforce of ages 18-34 are those born in 1981-1997.





- **Millennials will be nearly 41% of our workforce – a 20 percent increase – by 2025.** As they complete their educations and move fully into the workforce, Millennials will account for most of the rising replacement requirements in the oil & natural gas and petrochemical industries.
- The share of Millennials in managerial, business and financial occupations and in professional and related occupations **will increase to 39% by 2025.**

A REAL LIFE IMPACT FOR MILLENNIALS

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, and to individuals and families looking for lifelong, 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 gas industry is nearly \$50,000 higher** than the 2016 U.S. average, and those with STEM skills earn the most.²

A significant number of the oil and natural gas industry positions that Millennials will be needed to fill require strong skills in the STEM disciplines across all education levels. In fact, **holding a STEM bachelor's degree nearly doubles the likelihood of working in the oil and natural gas industry**, and earning a degree in an industry-specific or -related field increases the likelihood of working in the industry by three to seven times. Increasing the number of Millennials who earn these types of degrees will provide these industries, and others, more opportunities to hire workers of this generation.



¹ The estimates and projections of Millennial employment in the oil and natural gas industry presented here were developed to be consistent with estimates for 2015 and baseline employment projections in a March 2016 report prepared by IHS Markit for the American Petroleum Institute, Minority and Female Employment in the Oil & Natural Gas and Petrochemical Industries, 2015-2035.

² RAND Corporation, "Postsecondary Education and STEM Employment in the United States: An Analysis of National Trends With a Focus on the Oil and Natural Gas Industry," November 2017.