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

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

Sector Description	Direct	Indirect	Induced	Total	As a % of State Total
Employment*					
Industry Direct Impact	716,540			716,540	4.1%
Indirect/Induced Impacts on Other Industries					
<i>Services</i>		489,180	817,740	1,306,920	
<i>Finance, insurance, real estate, rental and leasing</i>		140,140	203,010	343,150	
<i>Wholesale and retail trade</i>		63,730	198,200	261,930	
<i>Manufacturing</i>		79,820	59,980	139,800	
<i>Transportation and warehousing</i>		79,300	59,780	139,080	
<i>Construction</i>		106,760	11,510	118,270	
<i>Agriculture</i>		5,110	43,690	48,800	
<i>Information</i>		18,160	29,080	47,240	
<i>Government</i>		16,430	24,410	40,840	
<i>Utilities</i>		8,710	5,530	14,240	
<i>Mining</i>		6,380	1,200	7,580	
Total Impact on Employment	716,540	1,013,710	1,454,120	3,184,380	18.1%
Labor Income** (\$ Millions)					
Industry Direct Impact	\$128,423			\$128,423	11.8%
Indirect/Induced Impacts on Other Industries					
<i>Services</i>		\$37,756	\$40,747	\$78,503	
<i>Finance, insurance, real estate, rental and leasing</i>		\$8,756	\$10,655	\$19,411	
<i>Wholesale and retail trade</i>		\$5,183	\$8,867	\$14,049	
<i>Manufacturing</i>		\$6,799	\$4,045	\$10,844	
<i>Construction</i>		\$7,292	\$786	\$8,077	
<i>Transportation and warehousing</i>		\$4,743	\$3,157	\$7,900	
<i>Information</i>		\$1,682	\$2,576	\$4,258	
<i>Government</i>		\$1,242	\$1,823	\$3,064	
<i>Utilities</i>		\$1,182	\$745	\$1,927	
<i>Agriculture</i>		\$116	\$768	\$885	
<i>Mining</i>		\$359	\$60	\$419	
Total Impact on Labor Income	\$128,423	\$75,110	\$74,227	\$277,760	25.5%
Value Added (\$ Millions)					
Industry Direct Impact	\$294,930			\$294,930	16.4%
Indirect/Induced Impacts on Other Industries					
<i>Services</i>		\$45,821	\$49,016	\$94,837	
<i>Finance, insurance, real estate, rental and leasing</i>		\$19,449	\$34,079	\$53,527	
<i>Wholesale and retail trade</i>		\$9,708	\$15,254	\$24,962	
<i>Manufacturing</i>		\$12,004	\$8,188	\$20,191	
<i>Information</i>		\$4,002	\$6,282	\$10,284	
<i>Transportation and warehousing</i>		\$6,020	\$4,041	\$10,060	
<i>Construction</i>		\$6,551	\$1,041	\$7,592	
<i>Utilities</i>		\$3,699	\$2,341	\$6,040	
<i>Government</i>		\$1,574	\$2,322	\$3,896	
<i>Agriculture</i>		\$154	\$1,196	\$1,350	
<i>Mining</i>		\$1,118	\$181	\$1,299	
Total Impact on Value Added	\$294,930	\$110,099	\$123,940	\$528,969	29.3%

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.