

ECONOMIC BENEFITS OF THE OIL & GAS INDUSTRY

In the U.S., the oil and natural gas industry supports 9.8 million American jobs, which is 6 percent of the total employment in the country. The associated labor income is estimated to be \$598 billion, or 6.3 percent of the national labor income total. The industry's total value added contribution to the national economy was over \$1.2 trillion, accounting for 8 percent of U.S. gross domestic product in 2011¹. Statistics are similar here in Colorado our industry is one of the top employers and contributors to state and local revenues.

KEY POINTS

- The **OIL & GAS** industry in Colorado directly employs over 50,000 people and supports over 111,000 jobs in the state and provides \$3.8 billion in total labor income and \$29 billion in economic output annually.
- In 2012 the industry contributed over \$1.6 billion in public revenues. Almost \$500 million went to education.
- Only the cities of Denver, Colorado Springs, and Boulder have more jobs than the State's oil and natural gas industry.²
- In Colorado, more than 75 percent of residential homes use natural gas as their primary energy source for home heating, one of the highest shares in the nation.³
- Colorado had more than 50,000 oil & gas wells in production.⁴
- Ten of the Nation's 100 largest natural gas fields and three of its 100 largest oil fields are found in Colorado.³
- Colorado produces 1/4 of all coalbed methane in the U.S.³
- Severance tax is levied on extraction of metals, coal, oil and gas and is part of TABOR revenue base. Oil and gas pay over 90% of the state's severance tax.⁵

Information Sources:

¹ "Assessment Of Oil And Gas Industry Economic And Fiscal Impacts In Colorado In 2012" Business Research Division, CU Boulder – August 2013

² Economy at a glance – The Bureau of Labor Statistics <http://www.bls.gov/eag/eag.co.htm>

³ EIA, Colorado Energy Profile, last updated 12/31/2009 http://tonto.eia.doe.gov/state/state_energy_profiles.cfm?sid=CO 1/2/2010

⁴ Colorado Oil & Gas Conservation Commission (COGCC)

⁵ Department of Local Affairs, https://dola.colorado.gov/sdd/sdd_tier1.jsf

⁶ Department of Local Affairs - Colorado Assessed Values Manual 1995-2012

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