

Impact of Gulf Offshore O&G Industry on Job Creation

The next MTS Houston Section luncheon will be held on 25 August 2011, featuring a presentation by Paul Hillegeist, Quest Offshore. Paul will provide an overview of a new study released in July by the National Ocean Industries Association (NOIA) and the American Petroleum Institute (API), which reveals the nationwide jobs and economic impact of the Gulf of Mexico offshore oil and gas industry and the effect of permitting on the job figures.

According to the study conducted by Quest Offshore Inc., the Gulf offshore oil and gas industry supported more than 240,000 jobs across the country in 2010, while contributing more than USD26 billion to the USA's GDP.

The Gulf offshore oil and gas industry supports tens of thousands of jobs outside the Gulf of Mexico. These jobs are found across the United States - at places like 3M in Minnesota, Webco in Oklahoma, and Parker Hannifin in Ohio, just to name a few. The study shows that more than 60,000 offshore industry-related jobs have been lost in the Gulf States since 2008, in part to the poor economy, the deepwater moratorium, and the continuing slow pace of new drilling permits in the Gulf.

On a positive note, the Gulf offshore industry could add nearly USD45 billion dollars to the nation's GDP by 2013, but only if exploration and development permitting return to historic levels and backlogged projects are allowed to progress forward. Moreover, the Gulf offshore industry could help create an additional 190,000 jobs by 2013 for a total of more than 400,000 industry supported jobs across the USA.

Quest will also provide medium and long-term forecast activity levels for the Gulf of Mexico in the wake of the drilling moratorium buoyed by projections for a 71% increase in Gulf development spending to \$41 billion in 2013 and predictions for growth in crude oil production totaling more than 1.8 million barrels per day.

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