

# Fracking's Dismal Job Creation Record

**Despite false claims from the American Petroleum Institute (API) that the oil and gas industry supports 11 million jobs,<sup>1</sup> the most recently available Bureau of Labor Statistics (BLS) data show that direct employment in oil and gas extraction is near its lowest level in a decade. The industry employed only 115,638 people in 2023, down from 196,704 in 2014, despite record levels of oil and gas production.<sup>2</sup> Even including indirect employment in related sectors like pipeline transportation and manufacturing of oil and gas equipment, the oil and gas industry was only responsible for 621,861 jobs, down from a peak of 887,573 in 2014.<sup>3</sup>**

In Pennsylvania, the industry only accounted for 19,452 direct and indirect jobs in 2023, a record low in the last decade despite near record high gas production.<sup>4</sup> Even though fracking only accounts for 0.32 percent of the 6 million jobs in the state, the myth that fracking is a “key element of the economy” or responsible for “countless jobs” persists.<sup>5</sup> These job numbers are in the same ballpark as natural gas employment figures reported by the federal Department of Energy and a report commissioned by Pennsylvania Department of Environmental Protection.<sup>6</sup>

The API's gross exaggerations rely on some of the same tricks that the fossil fuel industry has used for years, such as counting jobs “induced” by the oil and gas industry, mysterious divergence from BLS data, and inclusion of sectors that do not depend on domestic oil and gas production.<sup>7</sup> Most notably, nearly half of the “direct jobs” in the API's analysis are in the gas station sector.<sup>8</sup> This results in counterintuitive outcomes such as New Jersey — a state with no crude oil or natural gas production — being ranked 14<sup>th</sup> in total employment from the oil and gas industry, perhaps due New Jersey's ban on self-pumped gas rather than relaxed environmental regulations.<sup>9</sup> Also confusing is the claim that the oil and gas industry supports 2.3 percent of all employment in Washington, D.C., which is only believable if you were to include the army of consultants, lawyers, and lobbyists that the industry hires to advance its agenda.<sup>10</sup>

While fossil fuel jobs have stagnated, renewable jobs have grown. During the current Administration, Vice President Kamala Harris has championed renewable energy including provisions that reward domestic sourcing for components and prioritize American jobs over free trade commitments.<sup>11</sup> During the first three years of the Biden-Harris Administration, wind and solar electric generation jobs offset the decline in fossil fuel generation jobs by a factor of over 4, resulting

in a 7.7 percent increase in the total number of electric power generation jobs. In contrast, the electric power sector lost nearly 12,000 jobs during the first three years of the Trump Administration (2016 to 2019).<sup>12</sup>

Pennsylvania's electric power generation sector has suffered fossil fuel job losses without renewable electricity job growth, thanks to insufficient investment in renewables. From 2014 to 2023, the proportion of electricity generated from wind and solar in the state grew from 1.8 percent to 2 percent, far behind the national growth (5.1 percent to 15.9 percent of electricity over the same time period).<sup>13</sup> In 2023, Pennsylvania's electric generation industry employed 13.4 percent fewer people than in 2019 (and 28.9 percent fewer than in 2014), while wind and solar sector jobs fell below BLS reporting thresholds.<sup>14</sup> In contrast, Arizona's proportion of wind and solar generation grew from 4.2 to 12.1 over the same period, resulting in an 52 percent increase in the number of electric generation sector jobs.<sup>15</sup>

While some renewable manufacturing sectors are not disaggregated, sectors that include renewable manufacturing have added significant numbers of jobs between 2021 and 2023. For example, battery manufacturing added 10,000 jobs over that period.<sup>16</sup> "Semiconductor and Related Device Manufacturing" (NAICS 334413) — which includes solar cell manufacturing in addition to computer chip manufacturing (another focus of the current Administration) — added 16,530 jobs during the first three years of the Biden-Harris Administration, compared to 3,686 jobs during the first three years of the Trump Administration.<sup>17</sup> Growth in these sectors helped contribute to the creation of 563,986 jobs in manufacturing overall from 2021 to 2023, compared to 369,400 manufacturing jobs created between 2017 and 2019.<sup>18</sup>

## Endnotes

- 1 Green, Mark. American Petroleum Institute (API). "An Energy Policy Plan for America's Presidential Candidates." July 26, 2024.
- 2 Food & Water Action (FWA) analysis of Bureau of Labor Statistics (BLS) data. Quarterly Census of Employment and Wages. Preliminary 2023 data. Available at <https://www.bls.gov/cew/>. Accessed July 2024; Energy Information Administration (EIA). Monthly Energy Review. June 2024 at 5. Note: Record is based on BTU for non-coal fossil fuels.
- 3 FWA analysis of BLS data. For this analysis, sectors are: NAICS 211 "Oil and gas extraction," NAICS 213111 "Drilling oil and gas wells," NAICS 213112 "Support activities for oil and gas operations," NAICS 23712 "Oil and gas pipeline construction," NAICS 486 "Pipeline transportation," and NAICS 333132 "Oil and gas field machinery and equipment manufacturing."
- 4 *Ibid.*; FWA analysis of EIA data. Natural Gas Gross Withdrawals and Production. June 28, 2024. Available at [https://www.eia.gov/dnav/ng/ng\\_prod\\_sum\\_a\\_EPG0\\_FGW\\_mmmcf\\_a.htm](https://www.eia.gov/dnav/ng/ng_prod_sum_a_EPG0_FGW_mmmcf_a.htm). Accessed July 2024.
- 5 Epstein, Reid J. "Why the Kamala Harris of four years ago could haunt her in 2024." *New York Times*. July 29, 2024; FWA analysis of BLS data. This analysis includes all covered industries in PA.
- 6 U.S. Department of Energy. "United States Energy & Employment Report 2023. Energy Employment by State: 2023." June 2023 at 270; BW Research Partnership. Prepared for Pennsylvania Department of Environmental Protection. "2022 Pennsylvania Energy Employment Report." 2022 at 6. Note: FWA does not consider oil and petroleum jobs in these reports to be linked to in-state production because, in Pennsylvania, fracking produces almost exclusively methane and NGLs, and very little crude oil (0.1% of U.S. crude production). See: EIA. Petroleum & Other Liquids. Available at [eia.gov/dnav/pet/pet\\_crd\\_crpdn\\_adc\\_mbbbl\\_a.htm](https://www.eia.gov/dnav/pet/pet_crd_crpdn_adc_mbbbl_a.htm).
- 7 PriceWaterhouseCoopers (PWC). Prepared for API. "Impacts of the Oil and Natural Gas Industry on the US Economy in 2021." April 2023 at 8 and A-1. See previous FWW analysis for a detailed breakdown of methodological flaws in the API funded job analysis: FWW. "Phantom Jobs: Fracking Job Creation Numbers Don't Add Up." March 2020. Available at [https://web.archive.org/web/20201101033648/https://www.foodandwaterwatch.org/sites/default/files/fracking\\_jobs\\_memo\\_final.pdf](https://web.archive.org/web/20201101033648/https://www.foodandwaterwatch.org/sites/default/files/fracking_jobs_memo_final.pdf); FWW. "Oil

- Profits and Production Grow at the Expense of Jobs, Consumers, and the Environment." September 2022; FWW. "More Oil and Gas Production = Fewer Jobs." January 2022; FWW. "Cracked: The Case for Green Jobs Over Petrochemicals in Pennsylvania." September 2020.
- 8 PWC (2023) at A-1.
- 9 PWC (2023) at 13; EIA. "State Energy Profile: New Jersey." December 21, 2023; Selsky, Andrew. "NJ is now the only state in the US where drivers are not allowed to pump their own gas." *NBC New York*. August 7, 2023.
- 10 PWC (2023) at 16.
- 11 Robertson, Nick. "Harris touts investment in 'clean energy economy' on Inflation Reduction Act anniversary." *Hill*. August 15, 2023; Seung-woo, Kang. "Harris visit unlikely to help Korea resolve IRA concerns." *Korea Times*. September 29, 2022.
- 12 FWA analysis of BLS data. Comparisons of subsectors within NAICS 22111.
- 13 FWA analysis of EIA data. Electric Power Monthly. Net Generation for All Sectors. Available at <https://www.eia.gov/electricity/monthly/>. Accessed July 2024.
- 14 FWA analysis of BLS data. Comparisons of subsectors within NAICS 22111.
- 15 *Ibid.*; FWA analysis of EIA data. Electric Power Monthly.
- 16 FWA analysis of BLS. NAICS 33591.
- 17 Clark, Don. "U.S. plans up to \$1.6 billion in funding for packaging computer chips." *New York Times*. July 9, 2024; FWA analysis of BLS data. NAICS 334413. Note: Sector experienced growth of 19,066 jobs relative to 2019 and did not experience the typical 2020 decline in jobs.
- 18 FWA analysis of BLS data. NAICS 31-33.