

**Economic Impact of
ConocoPhillips and Sunoco Closings**

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The following tables show the potential effects of the layoffs at ConocoPhillips and Sunoco oil refineries in southeastern Pennsylvania. The first table illustrates the estimated impact on sales, employment, income and tax revenue. The data are categorized by the types of industries that will be adversely affected. The first is oil refineries (direct). The second are related industries or suppliers to or customers of the oil refineries (indirect). The third are industries such as retail trade and health care that are impacted due decreased spending because of lost jobs and less income (induced).

The second table depicts all the industries that may suffer employment losses due to the closing of the oil refineries. Data in this table are also categorized by direct, indirect and induced jobs.

The data in both tables are based on 100 job losses. The total job loss for these two companies is expected to be about 1000.

The employment multiplier for these layoffs in southeastern Pennsylvania is substantial. An estimated 18.3 jobs will be lost for each layoff in an oil refinery. The employment multipliers in this industry for the state and the nation are 22 jobs and 61 jobs, respectively. In comparison, Iron and Steel Foundries, which has a significant economic tie to several industries, only has a multiplier of 6.5 jobs for Pennsylvania and 12 jobs for the nation.

Overall Economic Impact from 100 Jobs lost in Petroleum Refineries (NAICS 324110)

Enter Jobs Lost: **100**

Type of Impact	Impact Totals (Lost)			
	Direct ^{1/}	Indirect ^{2/}	Induced ^{3/}	Total
Output (Sales)	-\$907,367,111	-\$389,148,954	-\$96,672,190	-\$1,393,188,255
Employment	-100	-1,072	-659	-1,831
Labor Income	-\$20,616,479	-\$81,045,599	-\$33,100,881	-\$134,762,959
State and Local Tax	-----	-----	-----	-\$28,317,361

Source: IMPLAN

^{1/}The Direct impact is the output or number of employees lost within the specific industry (Petroleum Refineries).

^{2/}The Indirect impact is the output or number of employees lost in related industries (suppliers/customers of Petroleum caused by the increase in spending by the direct industry.

^{3/}The Induced impact is the output or number of employees lost by other industries due to extraneous spending decreases by those having lost jobs (direct and indirect) and decreased available household income, such as less retail spending, health care, etc.

Enter Jobs Lost in the Petroleum Refineries Industry:

100 Jobs

Industry	Estimated Jobs Gained			
	Direct ^{1/}	Indirect ^{2/}	Induced ^{3/}	Total
Wholesale trade businesses	0	-164	-18	-182
Petroleum refineries	-100	-21	0	-121
Food services and drinking places	0	-53	-60	-113
Real estate establishments	0	-38	-46	-84
Services to buildings and dwellings	0	-72	-11	-83
Management of companies and enterprises	0	-67	-4	-71
Maintenance and repair construction of nonresidential structures	0	-47	-3	-49
Private hospitals	0	0	-39	-39
Employment services	0	-30	-9	-39
Offices of physicians, dentists, and other health practitioners	0	0	-38	-38
Retail Stores - Food and beverage	0	-9	-24	-33
Transport by truck	0	-29	-3	-32
Accounting, tax preparation, bookkeeping, and payroll services	0	-27	-5	-32
Legal services	0	-21	-8	-29
Automotive repair and maintenance, except car washes	0	-22	-6	-28
Civic, social, professional, and similar organizations	0	-17	-10	-27
Business support services	0	-24	-3	-27
Scientific research and development services	0	-24	-1	-25
Other state and local government enterprises	0	-20	-5	-25
Architectural, engineering, and related services	0	-21	-3	-24
Management, scientific, and technical consulting services	0	-20	-4	-24
Nursing and residential care facilities	0	0	-23	-23
Monetary authorities and depository credit intermediation activities	0	-12	-10	-22
Retail Stores - General merchandise	0	-7	-15	-22
US Postal Service	0	-18	-3	-21
Securities, commodity contracts, investments, and related activities	0	-9	-11	-20
Investigation and security services	0	-15	-4	-19
Scenic and sightseeing transportation and support activities for transportation	0	-17	-1	-18
Private junior colleges, colleges, universities, and professional schools	0	-1	-15	-16
Retail Stores - Clothing and clothing accessories	0	-4	-12	-16
Retail Stores - Miscellaneous	0	-5	-10	-15
Computer systems design services	0	-13	-1	-15
Insurance carriers	0	-4	-10	-14
Individual and family services	0	0	-14	-14
Retail Stores - Motor vehicle and parts	0	-4	-10	-14
Retail Stores - Health and personal care	0	-4	-9	-13
Private household operations	0	0	-13	-13
Electric power generation, transmission, and distribution	0	-11	-1	-13
Telecommunications	0	-8	-4	-13
Advertising and related services	0	-10	-3	-12
Couriers and messengers	0	-10	-2	-12
Medical and diagnostic labs and outpatient and other ambulatory care services	0	0	-12	-12
Commercial and industrial machinery and equipment repair and maintenance	0	-11	-1	-12
Other support services	0	-10	-2	-12
Private elementary and secondary schools	0	0	-11	-11
Extraction of oil and natural gas	0	-11	0	-11
Warehousing and storage	0	-9	-1	-11
Child day care services	0	0	-10	-10
All Other Industries	0	-154	-149	-302
Totals	-100	-1,072	-659	-1,831

Source: IMPLAN

^{1/}The Direct impact is the output or number of employees lost within the specific industry (Petroleum Refineries).

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^{3/}The Induced impact is the output or number of employees lost by other industries due to extraneous spending decreases by those having lost jobs (direct and indirect) and decreased available household income, such as less retail spending, health care, etc.