Quarterly U.S. Real GDP Growth: IHS Global Insight, Inc. (% Annualized Growth Rates)
U.S. Employment Growth/Unemployment
(IHS Global Insight, Inc.)

[Graph showing employment and unemployment trends from 2007 to 2023, with bars indicating %ΔEmployment and a line graph for Unemployment (%).]
Energy Prices (IHS Global Insight, Inc.): West Texas Intermediate Oil (WTI) and Henry Hub Natural Gas (PNGHH)
State Total Employment Growth 2011-2012
(U.S. Bureau of Economic Analysis)

US=1.86%
OK=2.2%
Change in Oil and Gas Jobs:

Data Source: Economic Modeling Specialists International (EMSI)
State Total Nonfarm Employment Growth

US=1.55%
OK=0.95%
Baker-Hughes, Inc. Oklahoma Rig Count: Oil

Nov'11-Nov'12 Oil Rigs

Nov'12-Nov'13 Oil Rigs
Oklahoma Crude Oil Production (thousands of barrels): EIA
Baker-Hughes, Inc. Oklahoma Rig Count: Natural Gas

Nov'11-Nov'12 Gas Rigs

Nov'12-Nov'13 Gas Rigs
Oklahoma Natural Gas Gross Withdrawals (MMcf): EIA

- Oklahoma Natural Gas Gross Withdrawals…
19% increase in number of wells drilled from third quarter 2012-2013 in Oklahoma major shale plays; 8.8% increase from second to third quarter of 2013
Quarterly U.S. and Oklahoma Nonfarm Employment Growth:
(Seasonally-Adjusted Annualized Percent Change)
Oklahoma Annual Nonfarm Employment Growth (%)
Oklahoma Unemployment Rate and Nonfarm Employment/Population Growth

- OK Unemployment Rate
- OK Population Growth
- OK Relative Nonfarm Employment Growth
Sector Change in Oklahoma Employment (Jobs): 2013-2014

Total Nonfarm: 19,688
Sector Change in Oklahoma Employment (%): 2013-2014

-2  0  2  4  6  8  10

Total Nonfarm: 1.2
Electrical Equipment
Fabricated Metals
Admin., Support, & Waste Mgt.
Nonelectrical Machinery
Other Durable Goods
Educational Services
Transportation Eq.
Professional, Scientific, and Technical
Accommodation, Food Services, Leisure
Federal Government
Retail Trade
Plastics and Rubber Manufacturing
Mgt of Companies & Enterprises
State and Local Government
Wholesale Trade
Contract Construction
Financial Activities
Health Care & Social Assistance
Natural Resources & Mining
Other Nondurable Goods Manufacturing
Transportation & Public Utilities
Real Estate
Other Services
Food Manufacturing
Information
Oklahoma Annual Real Personal Income and GDP Growth (%)
Oklahoma City and Tulsa Quarterly Employment Growth
(Deseasonalized, Annualized Percent Growth)

Oct '12 - '13 Δemp (thous.):
OK= 15.4 (0.9%)
OKC= 13.8 (2.3%)
Tulsa= 8.6 (2.0%)
Rest of State= -7.0 (-1.2%)
Risks and Longer Term Outlook

- IHS Global Insight: 20% chance of recovery stalling
- Slowing world energy demand and increased supply further reduce oil prices, reduced political tensions with IRAN
- As U.S. economy nears full employment, lower in-migration and labor force growth; long-term aging of the population and slowing labor force growth
- Lower than average skills of labor force
  - Increasing mismatch between skill demands and skills of labor force
  - Polarization of labor market: fastest occupational growth at the top and bottom ends of skill levels, slower growth in the middle
  - 1970: 24.6% of those with Bachelor’s degrees (or higher) lived in top 20 educated metropolitan areas
    2010: rose to 44% (Brookings Institution)
  - Metro average in 2010: 32%, OKC: 26.2%, Tulsa: 24.5 %, and both had slower than average growth 1980-2010
  - Oklahoma had the third largest per pupil cuts to education in the nation 2008-2013 (Center on Budget and Policy Priorities)
  - Oklahoma teacher pay among the lowest in the nation, even after adjusting for price and quality of life differences across states; teacher pay relative to other occupations requiring a college degree related to retention of teachers in the profession
Thank you for your attention