

Opening Statement
Ranking Member Edward J. Markey
Natural Resources Full Committee Hearing
"Creating American Jobs by Harnessing Our Resources: U.S. Offshore and
Renewable Energy Production"
September 8, 2011

The first law of holes is, when you're in one, stop digging. Right now, our country is a hole when it comes to jobs. But the Republican solutions just amount to more digging.

The Republican plan is to provide continued tax breaks and special deals for the fossil fuel industries. But while there have been new technological developments that are now allowing us to access new forms of oil and gas resources, the fact is increased productivity in those 19th Century energy industries often comes from *eliminating* jobs.

Today, I am releasing a Democratic staff report that shows that Big Oil is doing exactly that – eliminating jobs – despite booking record profits.

Despite generating \$546 billion in profits between 2005 and 2010, ExxonMobil, Chevron, Shell, and BP combined to reduce their U.S. workforce by 11,200 employees.



It's a similar story in other fossil fuel industries [picture]. This machine that looks like a huge can opener is actually used to mine coal. Thanks to heavy equipment like this, U.S. coal production is up 22 percent since 1985, while coal mining jobs have dropped 48 percent.

Profits in these industries are way up, but employment is way down.

Basing a jobs strategy on further helping these industries is like throwing money into a hole. Only the taxpayers' money that these industries get doesn't go to filling the jobless hole. It goes to filling executive bonuses and propping up share prices through stock buybacks.

In just the last three months, the five largest oil companies made \$36 billion in profits. They spent a combined \$10 billion buying back their own stock to inflate its price and distributed \$7 billion in dividends to investors. The Big Five oil companies also paid their top executives – their CEOs and Senior Vice Presidents -- nearly \$220 million in 2010,

amounting to an average salary of almost \$8 million for these companies' senior managers.

We need to be getting a better return on the taxpayers' investments. Innovation in 19th Century energy industries usually takes the form of pink slips for the workers, while real technology-driven innovation actually creates new jobs.

If we want to look where jobs are being created, look at what's happening in clean energy. Jobs in the wind industry are up 70 percent since 2007. There are now approximately the same number of people employed in the wind industry as there are in coal mining, 85,000 workers each. And contrary to some of the recent headlines, jobs in the U.S. solar industry have doubled in just the past year to nearly 100,000 workers. The U.S. solar industry is now a net exporter of technology. Companies like Dow Corning, Applied Materials and First Solar lead a U.S. solar industry that now runs a trade surplus with China.

As we will hear in the address from President Obama tonight, we need to get our 1 million unemployed construction workers back on the job. Investments in clean energy are investments in the basic infrastructure that keeps our national economy moving. Only there's a greater bang for the buck: investments in renewable energy create, on average, three to five times as many jobs as similar investments in fossil-fuel energy systems.

The Republican job creation platform based on more deregulation and continued corporate welfare for Big Oil—the most profitable industry in the world—is simply not credible. Propping-up 19th Century industries with subsidies while knee-capping the high-growth clean energy sector will not lead to more opportunity for American workers. But it will imperil the 2.7 million jobs we presently have in the clean economy.

Let's make the right decisions with taxpayers' money. Let's put it where it will actually create jobs.