

**STUDY TITLE:** Commuting, Migration, and Offshore Oil and Gas Extraction

**REPORT TITLE:** Effect of the Oil and Gas Industry on Commuting and Migration Patterns in Louisiana: 1960-1990

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**SPONSORING OCS REGION:** Gulf of Mexico OCS Region

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**KEY WORDS:** Louisiana, oil and gas, commuting, migration

**BACKGROUND:** Outer Continental Shelf (OCS) activities have been the major source of income and employment in the Gulf of Mexico (GOM) Region. This study will present a dynamic picture of the impact of OCS activities by studying the exchange of workers between coastal and inland counties. It will use longitudinal data for 1960 to 1990 to analyze the stability of such linkages, and whether or not they changed during the boom and bust periods. Although the main employment effects of OCS activities are found in GOM counties and parishes, the effects tend to spread into inland counties and parishes through commuting and labor migration. Little is known about which locations are more affected or the magnitude of those effects yet this information is important to estimate the full socioeconomic impact of OCS activities.

**OBJECTIVES:** The proposed study seeks: (1) to identify the extent of commuting in response to OCS activities; (2) to analyze migration and commuting flows and patterns to indicate the extent to which the effects of OCS activities reach inland communities; and (3) to more clearly identify the distribution of socioeconomic effects that is due to commuting-migration differences.

**DESCRIPTION:** The oil and gas industry comprises a very important part in the history and economy of coastal states in the Gulf of Mexico (GOM) region. In Louisiana, the strong impact of the oil and gas industry on revenues and employment is explained by (1) the amount of production and, (2) oil prices, with the latter affecting the revenue and

employment structure more strongly after 1974. This report studies the effect the oil and gas industry has on commuting and migration patterns in coastal and non-coastal areas of Louisiana from 1960-1990. It covers commuting networks and commuting distance; trend and level patterns of migration; and it quantifies factors and establishes models for predicting commuting and migration patterns.

**SIGNIFICANT CONCLUSIONS:** Commuting is closely associated with proximity and industrial characteristics while migration is more strongly affected by general economic conditions that are present in the sending and receiving areas. The fluctuation in the oil industry caused by a change in oil prices affected the employment structure after 1974.

**STUDY RESULTS:** During the period 1960-1990 the number of commuters increased four-fold from 104,485 to 412,605. Additionally, the eleven coastal parishes of Louisiana received more commuters than the state's 53 non-coastal parishes combined. Commuters tended to travel from non-coastal parishes to coastal parishes and, over the years, commute distances increased.

The migration patterns in coastal and non-coastal areas are similar, although the proportion of migrants in the coastal areas peaked during the period 1965-70, whereas the peak for the non-coastal areas occurred during the period 1975-80. Migration rates between coastal and non-coastal areas never differed by more than 2 percent.

**STUDY PRODUCTS:** Aratame, N. and J. Singelmann. 2002. Migration and Commuting in Louisiana's Coastal Area. Prepared by Louisiana State University. A final report for the U.S. Department of the Interior, Minerals Management Service Gulf of Mexico OCS Region, New Orleans, La. OCS MMS Study 2002-072. 47 pp.