

ADVANTAGE USA: PLASTICS AND SHALE GAS



Natural gas from shale could be the most important energy development in 50 years. It has huge potential for the United States and is helping revive American manufacturing. Thanks to growth in domestic shale gas production, the U.S. plastics industry — with feedstocks derived largely from natural gas — is benefitting from a significant increase in capital investments. Some companies are reshoring plastics-related jobs to the United States, and exports of plastics materials are expected to surge over the next decade.

INCREASED INVESTMENT AND PRODUCTION



Since 2010, the plastics industry has announced or anticipates **nearly \$47 billion in total U.S. investments** expected to come online over the next decade. This includes **\$25 billion in new capacity to produce plastics resins**.



Capacity to produce **polyethylene**, the plastic resin most advantaged by shale gas, is **expected to grow more than 50%** by 2020. Polyvinyl chloride and polypropylene resins also are expected to benefit from abundant, affordable shale.



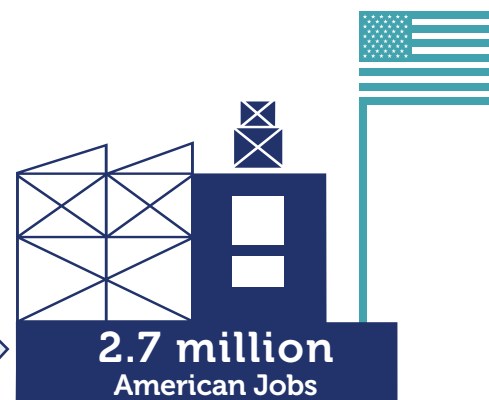
Over the next ten years, a total of more than **\$19 billion** in increased capacity to process plastics materials is expected to come online in the U.S. **More than 460 plastics processing projects** have been announced so far in **more than 40 states**, with numerous projects in Indiana, Michigan, Ohio, Wisconsin, Texas and Illinois.



JOBS

The U.S. plastics industry currently employs more than 600,000 people. Production from new capacity is expected to **increase plastics industry employment more than 20%** across the board, adding 128,000 new direct jobs, 173,000 indirect jobs, and 161,000 payroll-induced jobs. In total, **plastics industry jobs are expected to grow by 462,000 and payroll by \$27 billion**.

In the next decade, the U.S. plastics industry is expected to support



EXPORTS

Plastics are expected to become a major driver of U.S. exports. **Net exports (trade surplus) of plastics are expected to more than triple**, growing from \$6.5 billion in 2014 to \$21.5 billion by 2030.



China, Mexico
and the **Americas**
are leading export destinations.

SOURCES

"The Rising Competitive Advantage of U.S. Plastics," May 2015, American Chemistry Council.
"Fueling Export Growth," February 2015, Nexant.

MAY 2015

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