

U.S. Voters' Views on Rescuing the U.S. Oil Industry

March 2020



OBJECTIVES

With the coronavirus pandemic and oil-price collapse, Brunswick Group sought to understand:

- What ordinary Americans think about specific proposals being debated in Washington for rescuing the U.S. oil & gas industry
- What conditions, if any, they think policymakers should attach to any financial assistance for the industry
- What actions the industry can take to make Americans more likely to support federal aid for the industry

METHODOLOGY

Survey sponsor and conducting organization	Brunswick Group
Population surveyed	U.S. adults, aged 18+
Sampling frame	U.S. adults aged 18 and over, with U.S. Census quotas for age, gender, ethnicity, and region
How the survey was conducted	Online, opt-in
Total sample size	N=1,015
Survey dates	March 27-29, 2020
Margin of error	3.0%
Weighting	None

KEY FINDINGS

Having the federal government buy oil from U.S. producers is much more popular than banning foreign imports. Fewer than two in ten Americans surveyed think the U.S. government should ban imports of foreign oil to prop up prices in the U.S. Americans are much more receptive to having the federal government buy oil from U.S. producers (38%) – as the Trump administration has proposed – or do nothing at all for the industry (36%), than banning foreign oil imports (19%). Roughly a quarter favor reducing royalties that oil & gas producers have to pay the federal government to drill on federal land.

Republicans are more supportive of financial assistance for the industry than Democrats. Sixty-two percent of Republicans surveyed said they support some form of federal aid for the industry. However, a near majority of Democrats (48%) said they also support some form of federal assistance. And solid majorities of Republicans (76%), Independents (62%) and Democrats (64%) said they think the industry has positive impact on the U.S. economy.

The public is more likely to support federal aid for the oil & gas industry when strings are attached. Sixty-three percent of respondents said they'd be more likely to support federal aid to the oil & gas industry in exchange for companies committing to do more to reduce pollution from their operations.

WHAT THIS MEANS FOR THE INDUSTRY

Calls for banning foreign oil imports don't reflect a popular groundswell of opinion against foreign oil-producing countries. Even amongst Texas respondents – whose state is going to be among the hardest hit by the price collapse – only two in 10 favor banning foreign imports. Americans generally seem more supportive of *helping* U.S. producers than *harming* their foreign competitors.

Opening the federal purse will require the industry to engage in dealmaking and compromise. Congress controls the government's purse-strings. That gives Democrats leverage over proposals that require federal spending – such as President Trump's failed attempt to persuade Congress to let his administration buy oil from U.S. producers and put it in the nation's emergency oil stockpile. To win bipartisan support for such measures, the oil & gas industry will need to consider how it can work with Democrats on their policy goals – such as providing comparable emergency relief for the renewable energy sector.

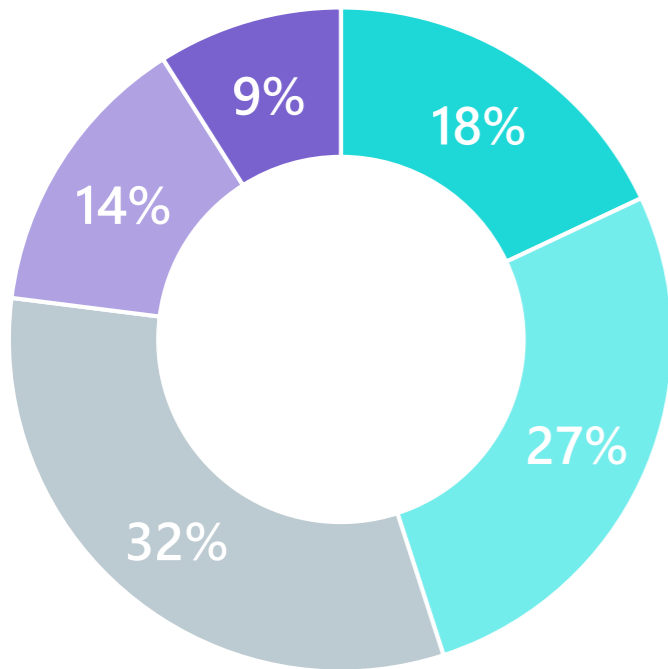
Perceptions of the Oil & Gas Industry



Two-thirds of the U.S. general public thinks the industry has a positive impact on the economy.

For each of the following industries, please indicate whether you generally have a positive or negative perception of that industry.

[Oil & gas]

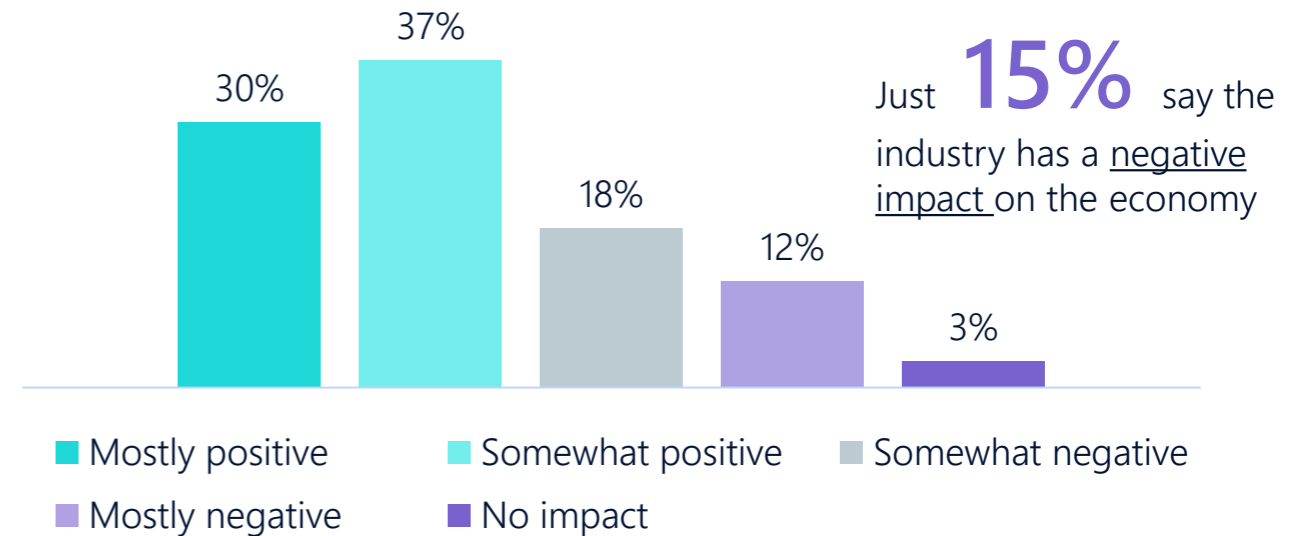


45% of the U.S. general public has a positive perception of the industry

This is compared to:
 58% of Republicans
 43% of Independents
 37% of Democrats
 57% of Planned Trump Voters
 49% of Texans
 36% of Swing States*

- Very positive
- Somewhat positive
- Neutral
- Somewhat negative
- Very negative

For each of the following industries, please indicate whether each one has a **MOSTLY** positive or **MOSTLY** negative impact on the U.S. economy. **[Oil & gas]**



Republicans:

76% Positive

Independents:

62% Positive

Democrats:

64% Positive

Trump Voters:

75% Positive

Texas:

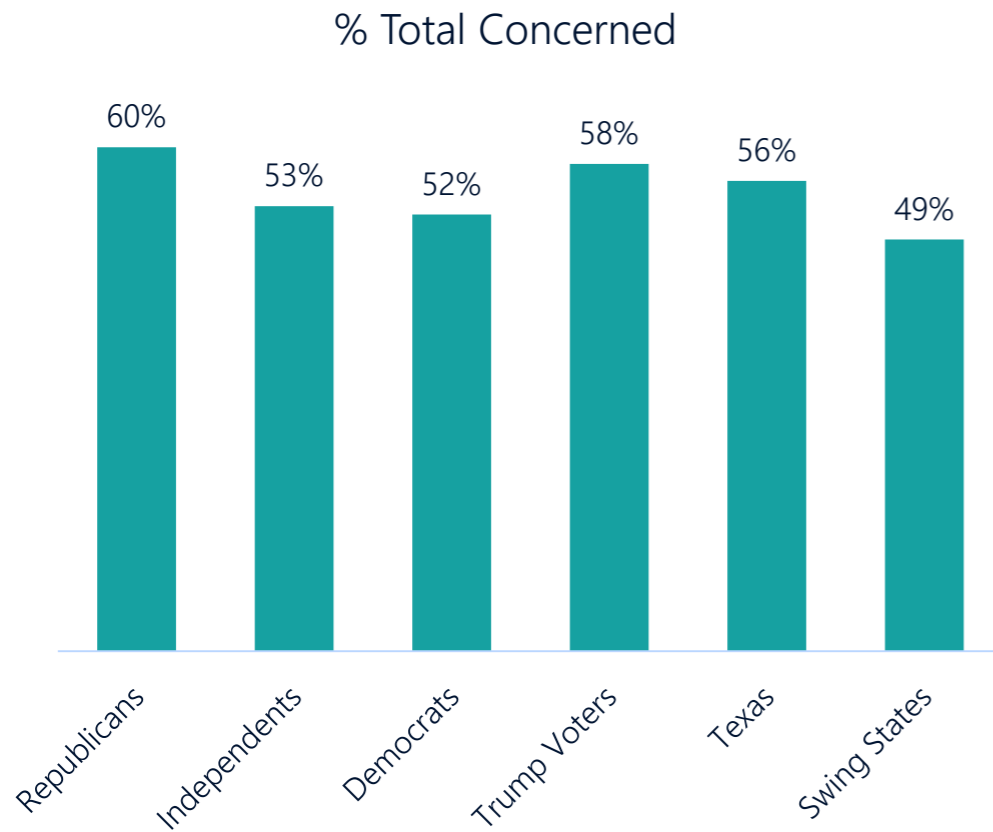
71% Positive

Swing States:

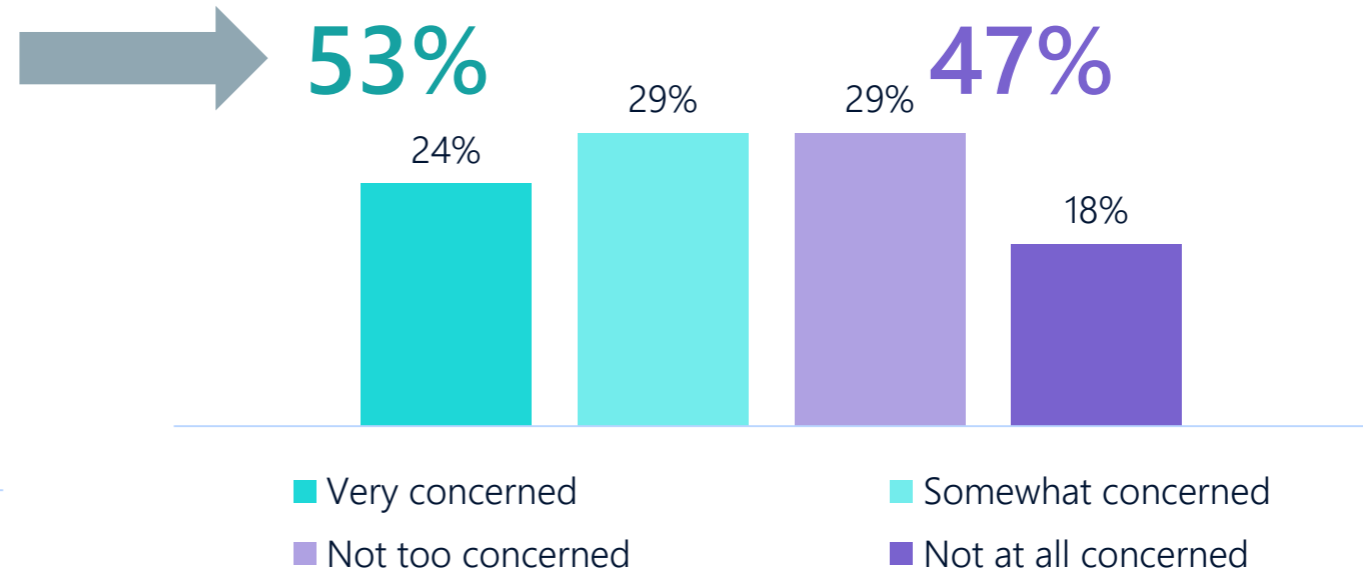
62% Positive

*Swing States includes Michigan, Ohio, and Pennsylvania

A narrow majority is concerned about the industry's financial health. Republicans and Trump Voters are more likely to be concerned than Independents and Democrats.

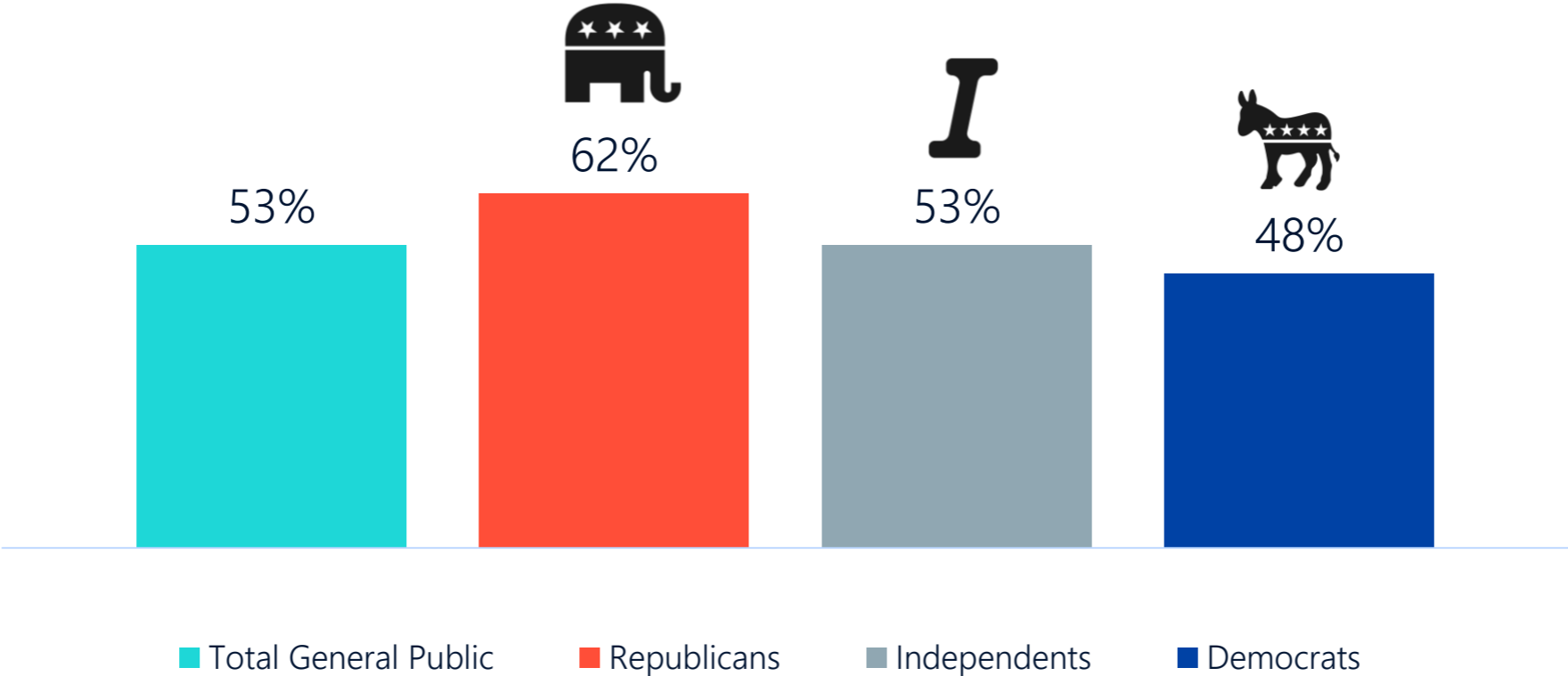


How concerned are you about the financial health of the following industries and the potential for bankruptcies and layoffs? [Oil & gas]



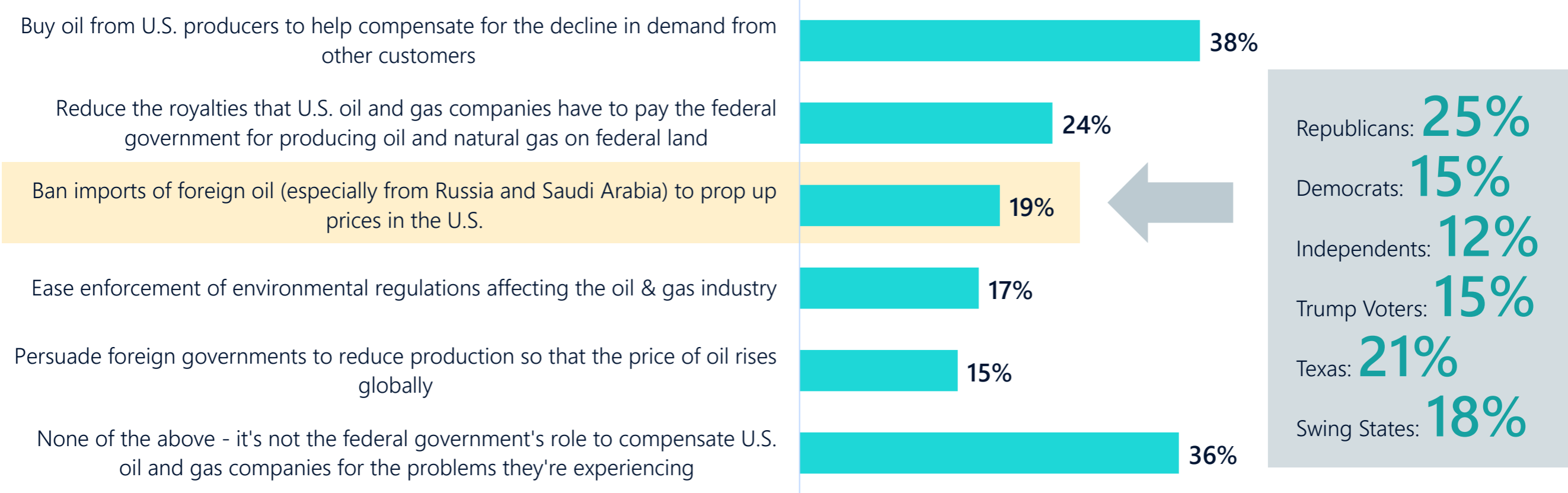
Republicans are more supportive of financial assistance for the industry than Democrats. However, a near majority of Democrats (48%) said they also support some form of federal assistance.

As you may know, the federal government is considering providing financial assistance to/bailing out certain companies and industries that are experiencing financial difficulties as a result of the coronavirus. For each one below, please indicate to what extent you agree the federal government should be providing financial assistance/bailing them out. [% Total Agree, Oil & Gas]



Fewer than two in ten think the U.S. government should ban imports of foreign oil to prop up prices in the US. A plurality would have the government buy oil from domestic producers.

Based on what you know, which of the following actions SHOULD the U.S. government take when it comes to the current economic state of the U.S. oil and gas industry? Please select all that apply.

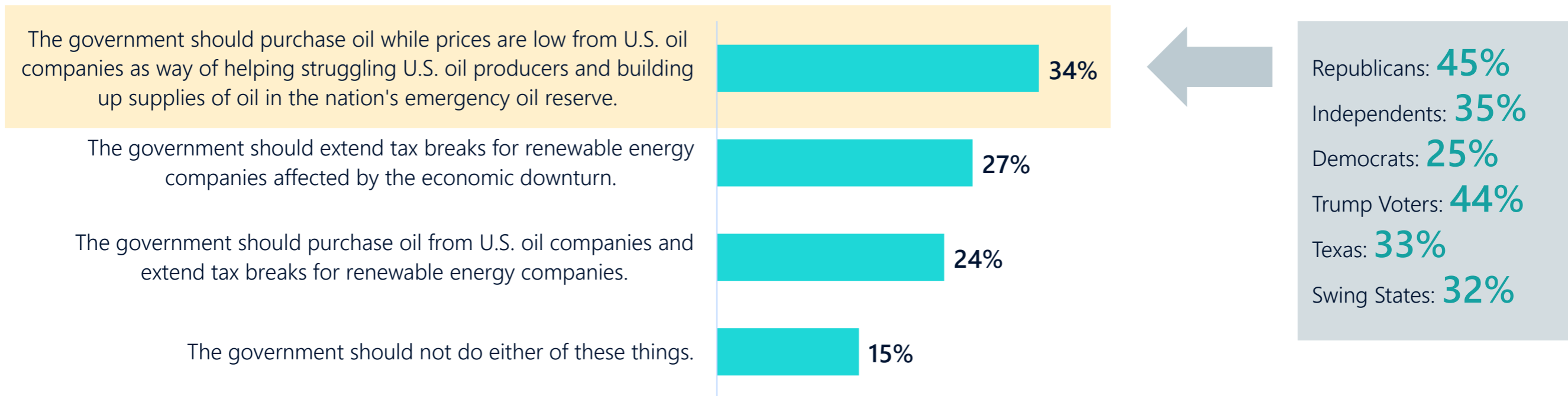


The policy proposal idea that tested best with voters in our survey is having the federal government buy oil from domestic producers while prices are low.

As you may know, the Trump administration has proposed spending taxpayer money to purchase oil while prices are low from U.S. oil companies as way of helping struggling U.S. oil producers and building up the nation's emergency oil reserve.

Some Democratic lawmakers oppose this plan; they say the government should instead be extending tax breaks for renewable energy companies affected by the economic downturn.

Please read the following statements and select the one that comes the closest to your own opinion.

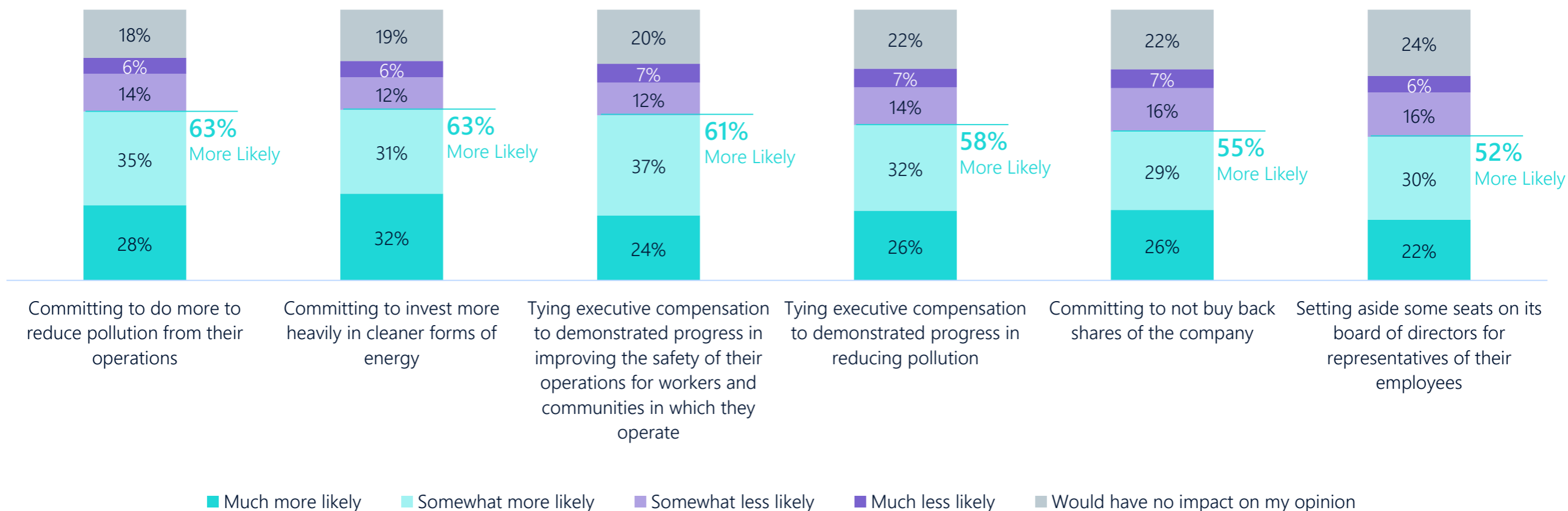


What can U.S. oil & gas companies do to win over Americans?



Americans are more willing to support federal aid when strings are attached. Most say they'd be more likely to support legislation that would provide federal aid to the industry in exchange for companies agreeing to do more to reduce pollution.

If an oil and gas company were to commit to any of the following actions, would that action make you MORE or LESS likely to support legislation to provide federal aid to the oil and gas industry?

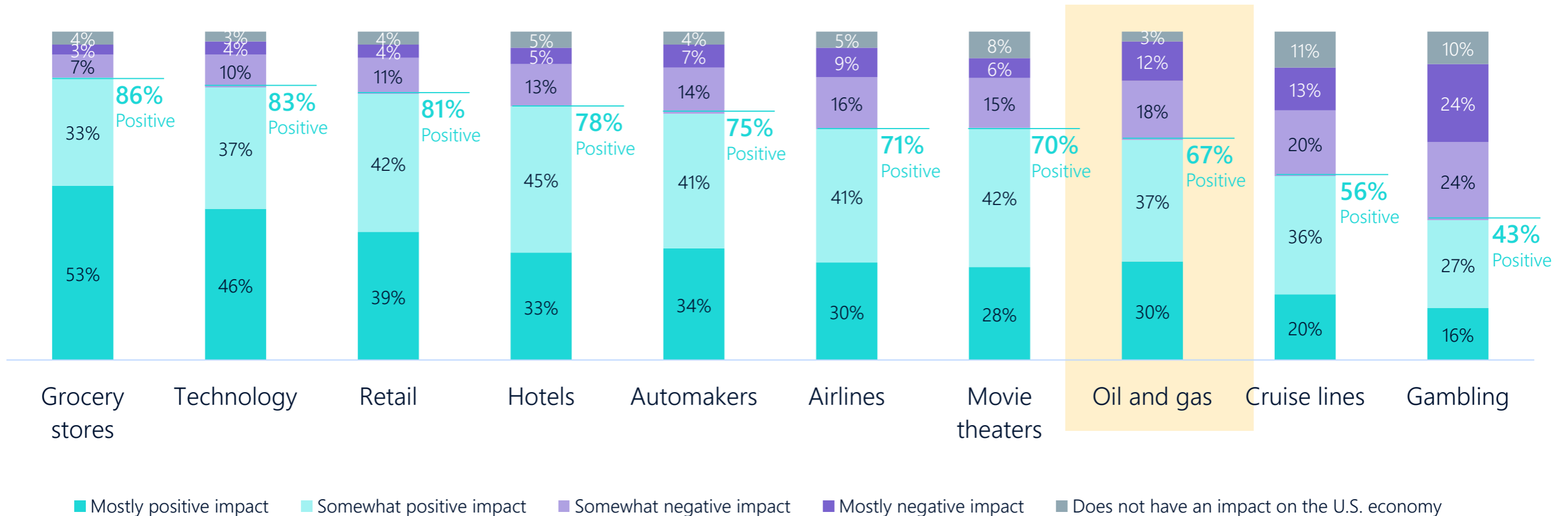


APPENDIX



Despite modest perceptions of the industry overall, two-thirds recognize the positive impact the industry has on the economy, though oil & gas is rated lower than other commodity-based industries such as grocery stores.

For each of the following industries, please indicate whether each one has a MOSTLY positive or MOSTLY negative impact on the U.S. economy.



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