

Washington, DC - Congressman Maurice Hinchey (D-NY) today released the following statement regarding record profits announced today by some of the world's largest oil companies. Exxon Mobil announced its second quarter profit soared to \$11.68 billion – the largest quarterly profit ever by a U.S. corporation. Additionally, Royal Dutch Shell, Europe's largest oil company, reported a 33 percent increase in second-quarter profit.

"ExxonMobil, Shell, and the rest of Big Oil have no shame. At a time when household budgets across the country are stretched to the limit because of skyrocketing gas prices, Big Oil continues to break records for corporate profits. ExxonMobil and its fellow energy conglomerates have chosen to increase their profits to unfathomable levels rather than demonstrating any type of sympathy for the pain that so many people across the nation are facing by making their product more affordable. Their greed is sickening.

"One would hope that with profits shooting through the roof that ExxonMobil and other major oil corporations would use that money to invest in improved infrastructure, cleaner fuel, and renewable energy sources. Unfortunately, the major oil corporations have chosen to buy back shares of their own stock in order to profit even further. Exxon Mobil made more than \$40 billion last year – making it the most profitable company in American history. However, the company invested just \$10 million in renewable energy technologies while spending \$32 billion to buy back its own stock. Last year, Shell increased first quarter dividends by 11 percent and spent \$4.4 billion repurchasing shares of company stock, which is more than 22 times what the company spent on renewable energy technology investments.

"Part of the reason these oil profits are so high is because Big Oil is purposefully keeping supply limited by refusing to drill on the 68 million federal acres of already leased lands in the U.S. and refusing to spend some of its profit on new refineries. Time after time, Big Oil has laughed in the face of the American people by choosing enormous corporate profits over everything else.

"Just as disturbing is the fact that Big Oil spent \$83.9 million on lobbyists last year to help them pad their pockets at the expense of American taxpayers. It is critical that Senate Republicans and President Bush stop blocking a measure that House Democrats authored and approved that repeals \$18 billion in tax subsidies to Big Oil and instead commits that money to renewable energy tax credits, which will help make solar, wind, and other forms of renewable energy more affordable and mainstream. There is absolutely no reason the most profitable corporations in American history need subsidies from the federal government. It is a waste of taxpayer money that could be spent on real solutions to high energy costs."

Hinchey Statement On New Record For Oil Company Profits

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