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Marcellus jobs: Who's working in the Mountain State?

Report on how many West Virginians were hired for gas boom lacks data

By Ken Ward Jr.

CHARLESTON, W.Va. -- During his State of the State address two weeks ago, Gov. Earl Ray Tomblin praised the Marcellus Shale drilling boom, and said West Virginia is "making the most of the opportunities associated with our abundant natural gas."

But it's still not clear how many of the jobs created by the natural gas drilling frenzy have gone to West Virginians -- or how large a share of those positions are being filled by out-of-state workers.

That's because a legislatively mandated report by the Tomblin administration, issued in November, did not include key data that lawmakers wanted about residency of the natural gas industry's workers.

As companies raced to tap into the Marcellus Shale gas reserves and build associated pipelines and gas processing facilities, organized labor groups complained that companies were bringing in out-of-state workers to fill too many of the new jobs.

During a special legislative session in late 2011 that focused on new rules on Marcellus drilling, some lawmakers sought to get to the bottom of the issue. They proposed language to require companies to submit new reports to the state to provide a breakdown of worker residency.

Industry lobbyists objected to this language, and it was removed during closed-door negotiations between the Tomblin administration and those lobbyists.

A committee bill approved in the House had required companies to disclose information about the residency of their work force. The governor's bill eliminated that requirement, instead mandating a government study by the Department of Commerce.

Under the final legislation, signed into law by Tomblin, the state's report was required to include, among other things: a review of the number of jobs created for legal West Virginia residents and non-West Virginia residents; a breakdown of jobs by race, ethnicity and gender; and a review of the number of jobs created for returning military veterans. The annual report was due to lawmakers by each Nov. 1.

However, the first report, submitted last year, makes no mention of the residency status of workers in the Marcellus Shale gas fields.

Commerce Secretary Keith Burdette said, "The omissions were related to a lack of data collection.

1. "The report does not include information on state of residence or veteran status because we

have not collected that information in the past, and had no outside resource to gain that information from," Burdette said in an email.

Burdette said local household data that specifies race, ethnicity and gender were not available when the state report was created. He said his agency "is making adjustments so that they will be able to submit this information as part of next year's report to the Legislature."

Steve White, director of the Affiliated Construction Trades Foundation, said that before the final bill was approved, Tomblin chief of staff Rob Alsop assured his group that the new reports some lawmakers were seeking weren't needed because the state had the information already available.

"We were told by the administration at the time the bill was revised that all of this data was available and these questions could be answered," White said. "The biggest question or debate regarding Marcellus is how many jobs has it created, who is getting those jobs -- area residents or imports -- and if the jobs are going to out-of-state workers.

"Some say we don't have the skilled work force, some say our workers can't pass drug tests, both of which we believe is untrue.

"We think companies want to pay low wages and have existing business relations in other areas like Texas and Oklahoma that they want to continue in West Virginia," he said. "The report does not answer those questions."

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