

# Verify: Are oil jobs coming back to West Texas?

Ricky Cody spent time verifying whether oil jobs are back - and if they are coming back just as fast as in other states.

**Ricky Cody, KIDY** 5:46 PM. CDT May 04, 2017



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Last month, 30 oil-producing companies began their search across the Lone Star State for potential employees. It boosted confidence that demand for oil was back – and that would mean full-time work for thousands.

But as Texas oil producers and mechanics struggle for work here, elsewhere, work was and *is* booming.

Our Ricky Cody spent time verifying whether jobs are back – and if they are coming back just as fast as in other states.

Texas has no doubt been the leader in oil production for decades.

A March 2016 report by the Texas Taxpayers and Research Association (TTRA) says Texas provides more than a third of the nation’s oil supply. But as I discovered, it’s that oversupply that left so many jobs here bone-dry.

To stay transparent, we wanted to verify three claims regarding oil jobs in West Texas. To do so, you need experts and you need research.

I will use information from the Bureau of Labor Statistics, a 2017 April report from the Federal Reserve Bank of Dallas, a TTRA research report and information provided by Linda Diaz from Concho Valley Workforce Solutions to verify the following claims:

1. Are oil jobs coming back to West Texas?
2. If so, are jobs coming back just as fast here as compared to other oil-producing states?

Per the Federal Reserve Bank of Dallas, Texas oil and gas extraction employment increased slightly to 91,900 jobs in February of this year, while mining rose to 116,300 jobs. That's a

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combined total of about 3,000 jobs to roughly 208,300 total jobs.



So, this claim is verified. Oil-producing jobs are returning to West Texas.

But, this is barely above the record lows we saw in the fall of 2016.

A report by the Texas Taxpayers and Research Association says 250,000 jobs were lost as oil companies cut investment by more than \$80 billion. Now, the Permian Basin has 310 oil rigs operating and 80 rigs are in operation in the Eagle Ford.

Meanwhile, other oil-producing states like Utah, Montana and North Dakota seem to have a faster rise in these jobs – but is that true?

In 2016, the average oil producer in America made \$37,340, according to the Bureau of Labor Statistics. While Texas employs the most people, we don't pay as competitively as other states.

In fact, last year, Texas didn't even rank in the top five top paying states. Alaskan employees made nearly \$60,000. Utah rounded out the top 5 with \$45,000.



But one expert explains why:

Kim delaPena is the owner of Eventures Promotions, based in Midland, Texas. She says that pay more almost *must* just to entice Texas workers to leave their families behind and work in dangerous elements like the extreme cold. She also says some of these other locations are in desolate parts of the state – away from basic infrastructure.

So, this claim is false. Jobs are not coming back as fast as other oil-producing states.

And delaPena argues that's a good thing! Most companies look for steady growth in employment. The rise might also be slow because of technology that has made producing oil more efficient – so much so, the TTRA report shows the state's oil production has tripled since 2010.

5/5/2017

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When supply exceeds demand, prices will fall – and that's exactly why the state is recovering from impressive job loss.

***Have a question you want verified? Message our KIDY Facebook page or find us on Twitter and we'll spend the time looking for answers!***

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