

U.S. Senate Commerce Committee Field Hearing
April 11, 2012

Testimony of Steve White, Director
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Thank you, Senator Rockefeller, for bringing this very timely hearing to West Virginia.

Development of the Marcellus Shale and the Utica Shale, across the river in Ohio, has the potential to create thousands of jobs for West Virginians. I remain optimistic about this potential, but the jury is still out.

Make no mistake, this is not the gas industry we have grown up with; it is akin to a modern day gold rush with vast resources and billions at stake. Please don't confuse the new with the old.

There has been a focus on drilling jobs, but the vast majority of jobs directly related to shale development are construction jobs – building the pipelines and processing facilities.

I am here today on behalf of the state's 20,000 union construction workers. These men and women are a critical part of West Virginia's infrastructure, no less than a road or bridge.

Whether or not West Virginia prospers from the Marcellus development in many ways hinges on whether or not our local workforce succeeds in getting the jobs.

We have every reason to believe they can succeed because our 20,000 workers, representing 14 skilled crafts, are well-trained and certified drug free. Our workers can perform any construction task there is relating to Marcellus activity. They're ready to go to work today.

Each of our member unions has a comprehensive apprenticeship program that lasts anywhere from 2 to 5 years. We have 32 state-of-the-art training centers scattered across West Virginia providing an education funded by unions and employers. Apprentices "earn while they learn" and when they complete their training, they have no student loans to pay off.

There has been a great deal of public discussion about drug issues, so I stress that all of our members are regularly drug-tested during their training and employment. They come to an employer certified drug-free.

Not only are these men and women drug-free and highly trained, they are productive members of their communities. They volunteer, pay taxes, raise their children and vote right here. They are the workers who have built the region – its chemical and power plants, manufacturing facilities, schools, hospitals, offices, bridges and more.

Many are currently working on gas-related construction, building pipelines and processing facilities for companies such as Caiman Energy and MarkWest Liberty. They are employed by local contractors like the Chapman Corporation and Apex Pipeline Services, to name a few.

Unfortunately too many companies are importing workers and too many local businesses are not given a chance to bid projects. We need to encourage all companies to hire locally.

If local workers and contractors aren't given a chance for these good-paying jobs, then we've lost a tremendous opportunity to build stronger families and communities and a better future for our next generation.

Our declining manufacturing base means fewer prospects for local contractors and workers. Unemployment remains high in the very same region where prosperity seems so bright.

When a plant closes and we lose hundreds of jobs, there is a huge uproar, and rightfully so. Yet, when companies bring in out-of-area workers and we lose hundreds of local jobs, there is little outcry.

According to a recent study by Marshall University's Center for Business and Economic Research, using local workers to build just one large gas processing facility could add \$86.4 million in wages into the local economy. However, hiring non-local reduces that figure to \$9.8 million.

We have an unprecedented opportunity in shale development, so let's make sure all West Virginians have a chance to benefit.