

# Southeastern New Mexico Oil and Gas Workforce Study



Commissioned by:



**JANUARY 2024**

# WORKERS' PERSPECTIVES ON THE OIL & GAS INDUSTRY AND ENERGY TRANSITION IN NEW MEXICO'S PERMIAN BASIN

Somos Un Pueblo Unido commissioned The University of New Mexico Center for Social Policy (CSP) to conduct a research project in the Permian Basin with three main objectives. First, to understand the attitudes, experiences, and workplace conditions of the oil and gas workforce as well as their families in the Southeastern New Mexican Permian Basin. Second, to describe the oil and gas community's perceived current and long-term training needs as New Mexico transitions to clean energy. Finally, to describe the current training landscape in the Permian Basin drawing on the experiences and perceptions of local educators, workforce boards, and community-based organizations.

By giving voice to the most directly impacted community, the oil and gas workforce, the report provides insights for stakeholders engaged in the just transition to clean energy in the state of New Mexico.

TO FIND THE FULL REPORT VISIT:  
[SOMOSUNPUEBLOUNIDO.ORG](https://SOMOSUNPUEBLOUNIDO.ORG) OR  
[CSP.UNM.EDU](https://CSP.UNM.EDU)

In 2022, oil and gas added \$16.1 billion to New Mexico's gross domestic product (GDP) and fossil fuel workers accounted for 8.5% of New Mexico's total workforce, with Latinos making up 46% of the oil and gas workforce.



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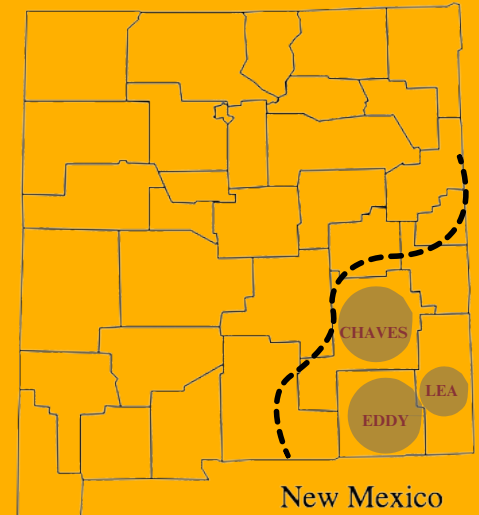
# GOALS AND FOCUS OF THE RESEARCH PROJECT

## Southeastern New Mexico Oil and Gas Workforce Landscape

The research strategically focuses on collecting information from oil and gas workers and their families from the Permian Basin of New Mexico. The Permian Basin includes the counties of Lea, Chaves, and Eddy, the major drivers of the state's economy due to the concentration of oil and natural gas in the region. In 2022, oil and gas added \$16.1 billion to New Mexico's gross domestic product (GDP) and fossil fuel workers accounted for 8.5% of New Mexico's total workforce. Despite the role of oil and gas in the state's economy, New Mexico policy makers are more aware than ever that a transition to clean energy is critical and inevitable and that a continued reliance on oil and gas is an unviable economic strategy.

This report fills a pressing need for policy makers to understand the current landscape of the oil and gas field with an emphasis on understanding the immigrant workforce. This segment of the workforce is crucial because they are the least paid and invisible to policy makers, business owners, and the wider public. This includes understanding current working conditions, perceived prospects for future work, and needs for new training opportunities and adult education for workers as well as their families often underemployed.

A “just transition” seeks to ensure that, “no people, workers, places, sectors, countries or regions are left behind in the move from a high-carbon to a low-carbon economy.” Just transition policies often focus on mitigating adverse impacts on or creating opportunities for vulnerable and historically marginalized groups, including immigrants, communities of color, and communities that are dependent on the fossil-fuel economy.



## RESEARCH DESIGN AND METHODOLOGY

The University of New Mexico (UNM) Center for Social Policy (CSP) and the UNM College of Population Health (COPH) worked in partnership with Somos Un Pueblo Unido to collect information from residents of southeastern New Mexico who are either directly or indirectly connected to the oil and gas industry. Participants included current employees and retired employees of oil and gas companies, their spouses, and employees of the many businesses that support the oil and gas industry in the region.

The research uses a mixed methods approach, utilizing both survey data and qualitative focus groups. Between December 2022 and December 2023, two waves of qualitative focus groups were conducted in Hobbs, Roswell, and Artesia with a total of 67 oil and gas workers and community members participating. In addition to the focus groups, two professionally guided quantitative surveys were conducted in-person that included 96 responses. Lastly, over 30 interviews were conducted from program heads and representatives of adult education and workforce development programs between summer 2023 and January 2024.

*According to New Mexico's Bureau of Labor Statistics, Latinos represent 46% of the state's oil and gas workforce, many of whom are immigrants.*



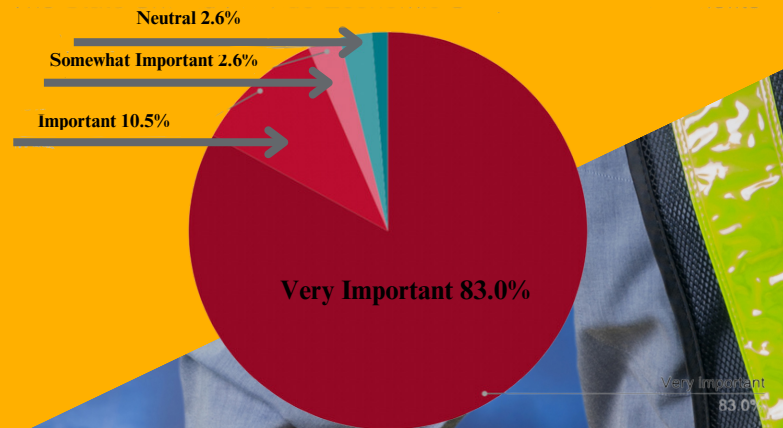
# KEY FINDINGS

## Working Conditions of Oil and Gas Workers

The average workday of oil and gas workers was nearly 12 hours long. Although the workforce is willing to work long hours, often in dangerous environments, they only earn wages high enough to support their families. In addition to long work hours, workers consistently said that they travel long distances to and from work. Workers and their families describe their working conditions with a palpable fear for their safety, health, and survival. Lastly, oil and gas worker respondents indicated inconsistent and inadequate safety nets within their place of work.

- Only 21% of respondents received retirement benefits.
- Over half (55%) of respondents received paid sick leave.
- 3% of workers received child care benefits through their employer.
- 57% of respondents were not provided with health insurance.
- 78% of workers reported they did not have access to unemployment benefits.
- 69% of workers report being laid off or having hours cut when dips occur.
- 46% of oil and gas worker respondents have experienced an accident on the job.
- 78.3% of respondents do not want their children to work in the oil and gas industry.
- Roughly 20% reported making less than \$25,000 annually in the industry.

### The State Should Provide Economic Support Including Benefits



**8 in 10 workers reported knowing someone who had an accident on the job and/or died as a result.**



#### WORKER VOICES:

"I WORKED AS A WELDER'S ASSISTANT. AND YES, IT'S GOOD PAY, BUT VERY LONG HOURS. AS A WOMAN IT IS VERY HARD TO BE THERE BECAUSE YOU HAVE TO GET UP VERY EARLY AND YOU GET HOME VERY LATE. AND THEN I STILL HAVE TO DO THE THINGS THAT NEED TO GET DONE AT HOME."

-FEMALE, HOBBS-



## Perceived Economic, Social, and Employment Context

Employment in the oil and gas industry is unstable and unreliable in the long term. Workers want targeted economic development with no barriers to entry and to replace their reliance on oil and gas and other low skilled jobs for non-english speakers in adjacent industries. Additionally, there is widespread interest from workers to participate in diverse and comprehensive training programs, however, it will require access to skills-building resources, computer literacy, basic education and English language courses.

### Workforce Interested in Training Opportunities

- 1/3 of respondents believed that Heating, Ventilation, and Air Conditioners (HVAC) and manufacturing in welding and electrical will be employment opportunities.
- 86% of respondents see job training as very important.
- Overall, 95.5% of the survey respondents said that they would participate in job training opportunities if they were both free and offered at a convenient time for their schedules.
- The majority of female focus group respondents shared a strong desire for local towns to offer integrated training in spaces that would bring people together to strengthen both their basic educational and vocational skills.
- Over 37% of workers and their families noted that English language classes (ESL) were valued.
- Over 32% of respondents indicated interest in in-person classes at a community college or training center in their community.
- 85% of respondents shared they have the skills necessary to use the internet to find training opportunities and further their education or skill training.

### Economic and Support Services for Training Programs

- 77% of respondents identified supplemental income as a support service required to participate in short term job training in other counties of the state.
- Nearly 80% of respondents indicated they would take advantage of training if childcare were available to them.

### Workforce Concerned About An Energy Transition

- Nearly 60% of respondents are very concerned that new clean energy jobs will not be available to state residents in New Mexico.
- 65% of respondents are very concerned that they will have to move their families away from the Permian Basin region of that state when current industry jobs disappear.
- 83% of respondents are concerned that their jobs will not be replaced.

### WORKER VOICES:

“THERE NEEDS TO BE OTHER THINGS TO WORK IN TO BE ABLE TO STAY HERE. IF NOT, WE’LL HAVE TO GO LOOKING ELSEWHERE.”  
MALE, HOBBS

### WORKER VOICES:

“IT WOULD BE GREAT FOR OTHER COMPANIES TO COME HERE, BUT WHAT ABOUT THE PEOPLE WHO HAVE BEEN WORKING IN OIL AND GAS ALL THEIR LIVES? THAT’S ALL THEY KNOW. THEY NEED SOME SORT OF TRAINING, SO THEY KNOW HOW TO DO A NEW JOB. PAID TRAININGS WOULD BE FANTASTIC.”  
MALE, HOBBS

# Structural Barriers to Accessing Workforce Development

An analysis of the workforce training infrastructure in the Permian Basin was conducted by speaking with departments and programs that provide vital resources for their communities to determine if some of the barriers to accessing training were warranted given the state of training opportunities available in the region.

There are several structural challenges facing service providers looking to provide training to residents of the region such as:

- Childcare for participants in training programs
- Additional and adequate funding to meet the current demand for training in the region
- Access to federally funded training programs for immigrants and other underserved communities
- Accessible transportation for community members
- Community knowledge about available workforce development resources and other support services
- Language accessibility
- Renewable energy training programs

The majority of residents of southeastern New Mexico have both the digital resources and the skills to access training and further their education. However, there are barriers that pose challenges for oil and gas workers to do so. This includes the combination of language barriers and challenges in immigration status. However, the single, largest structural barrier to training access among the immigrant workforce is that federal Workforce Innovation and Opportunity Act (WIOA) dollars restrict undocumented immigrants from accessing valuable, federally funded training resources. Specifically, title I and title II WIOA Dollars that prohibit undocumented workers from accessing training and other support services.

## WORKER VOICES:

"INTEGRATED EDUCATION TRAININGS ARE FEDERALLY FUNDED SO UNDOCUMENTED PEOPLE AREN'T ABLE TO PARTICIPATE." PARTICIPANT, HOBBS

*MANY PROGRAM LEADERS AND DEPARTMENTS EXPRESSED CONCERN THEY WILL NOT BE ABLE TO MEET THE INCREASED DEMAND FOR ADULT EDUCATION AND WORKFORCE TRAINING ON THE HORIZON.*



# Conclusion and Policy Recommendations

Workers are aware that their jobs will be phased out with the transition to clean energy in the region. They seek workforce training opportunities to help them find employment in other industries, particularly in manufacturing, construction, and HVAC. Training will need to be paired with basic skill development courses in computer literacy and English language skills to support the specific needs of Latino workers who are often Spanish speaking and foreign-born. The flexibility to do online training outside of traditional work hours is of high interest to this community. However, many lack access to high-speed internet or a quiet place at home to do virtual training. Workers are willing to train away from home if compensated and child care is provided. Young adults desire training in growth industries but fear leaving the region to find careers.

The landscape analysis identified existing structural barriers for integrated training and education. Inflexible ESL and GED courses and access to childcare is limited, which presents a barrier especially for women participating in the workforce and training programs. Additionally, language, transportation, and the digital divide continue to be challenges in the region. Residents lack adequate income to participate in training and would benefit from incentives such as living stipends and supplemental income to participate. Finally, more outreach is needed to increase awareness of existing resources and that in general, more resources are needed. Significant investments are needed for these suggestions. Fortunately, there are large pools of federal resources available for infrastructure

**Given the projected peak of the oil and gas industry over the next 15-20 years, it is of utmost importance that policy makers prioritize investing in training for workers to equip them with necessary skills and resources in the face of a transition away from the state's reliance on oil and gas. Policy solutions must not leave behind undocumented workers, women, and adjacent industry workers. These solutions must also aim to improve the working conditions and safety nets of these vital workers that New Mexico's economy relies upon. This will require creative and careful execution to ensure that state resources are strategically leveraged to offset deficiencies in federal funding.**

The following recommendations are based on the main findings from the study and will hopefully provide stakeholders with useful information as they begin to build the foundation for the clean energy workforce:

## **State Must Invest In Better Working Conditions and Safety Nets For Workers In Emerging Industries**

- Create career paths with stronger safety training infrastructure that pays living wages and safety nets to support workers and their families.
- Provide economic support to workers including economic benefits such as unemployment, retirement, medical insurance, paid vacation time, overtime, paid sick leave, child care, and tuition support.
- Invest in targeted economic development for fossil fuel communities to replace the reliance and instability of the oil and gas industry.

## **Provide Flexible State Funding For Workforce Development and Adult Education Programs**

- Support regional workforce boards to develop meaningful sectoral partnerships with community-based organizations that support disadvantaged workers.
- Expand eligibility and outreach to disadvantaged workers often excluded from traditional training programs.
- Create working partnerships with coordination and collaboration with community colleges, labor unions, industry representatives, training or service providers, and community-based and worker organizations to offer support for the transition away from fossil fuels.
- Invest in New Mexico Higher Education Department to allow for expansion and innovation in Adult Education programs such as integrated training programs, including ESL, GED and computer skills programs.
- Build capacity to the regional boards and provide them with support needed to apply for workforce development grants from the federal Inflation Reduction Act (IRA), the Bipartisan Infrastructure Law (BIL) and the CHIPS & Science Act (CHIPS).

## **Significant Investment For A State-Administered Supplemental Income For Workers Enrolled In Training**

- Support services for disengaged and “difficult-to-reach” workers, such as Spanish-speaking immigrants.
- Support Services not covered by current workforce development programs such as, childcare, transportation, and stipends to support living expenses for members of the workforce who need to travel to acquire training.

*1/3 of respondents reported that elected officials and local leaders do not include the opinions of oil and gas workers and their families at all in decisions about policy in Southeastern New Mexico.*

## ABOUT THE AUTHORS

The research project was led by **Dr. Sanchez Youngman. Shannon Sanchez-Youngman, Ph.D.**, is an assistant professor in the UNM College of Population Health, the Associate Director of Research and Evaluation at the Center for Participatory Research, and co-convenor of UNM's Level I Just Transition Grand Challenge. She is a community-based participatory researcher with expertise in the structural determinants of health, structural interventions for health equity, and Latino mental health disparities.

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