

JOBS & Northwest Innovation Works LLC: an overview

Over-broad definition of “local” employment

NWIW executives have touted local employment as a positive aspect of their proposed methanol refinery. However, a closer look at the ECONorthwest report commissioned by the company reveals that their definition of “local” is a 12-county region with a 90 minute or less commute to Kalama.¹ According to the report, the labor market for NWIW’s 192 jobs includes more than 1.4 million workers.² The pool of qualified construction workers that NWIW considers “local” includes nearly 42,000 workers.³

Counties included in the NWIW definition of “local”:

Cowlitz County, Washington

Clackamas County, Oregon

Clark County, Washington

Columbia County, Oregon

Lewis County, Washington

Multnomah County, Oregon

Pacific County, Washington

Skamania County, Washington

Thurston County, Washington

Wahkiakum County, Washington

Washington County, Oregon

Yamhill County, Oregon

Over-stating construction jobs and impact

NWIW admits that “much of the equipment and engineering work necessary will come from outside the local region.”⁴ Refinery components will be shipped to Kalama, not created in Kalama and workers from outside the region who specialize in methanol refinery construction will be brought in to build it.

NWIW promises approximately 1,000 jobs during refinery construction. A deeper look at these numbers shows that this level of employment would last just three months. The average employment level during construction is closer to 500 workers, though NWIW admits that, during some months, it would be as low as 100.⁵

Only a fraction of the total construction cost for the proposed methanol refinery will be spent locally. According to their own report, NWIW estimates that only 1/3 of the total construction costs will come

¹ Draft EIS, Appendix M, p. 3.

² *Id.*

³ Draft EIS, Appendix M, p. 7.

⁴ Draft EIS, Appendix M, p. 4.

⁵ Draft EIS, Appendix M, p. 8.

from the local area – and remember, NWIW considers 12 counties within a 90 minute drive of Kalama to be the “local area.”⁶

Public subsidies for Northwest Innovation Works’ profit

While publicly touting all the money NWIW would invest in Washington, NWIW courted the Governor, the Port of Kalama, and the Washington legislature. One reason: public subsidies. Here’s what we know:

- The Port of Kalama is asking least \$11 million in federal money to build NWIW’s dock.⁷
- The Port of Kalama asked the federal government for a \$15 million low-interest loan to build the Ranney well for NWIW to collect groundwater.⁸
- NWIW President Vee Godly asked Washington legislators for hundreds of millions in tax breaks. According to a fiscal analysis prepared for the legislature, an existing tax loophole will allow NWIW to avoid paying \$143 million in state and local sales tax through 2021.⁹ NWIW lobbied against recent efforts to close that loophole.

Table 3: Construction Labor Occupations Needed for KMMEF Versus Working in the Region in May 2014, BLS

Construction Workers	Needed at KMMEF	Working in the Region	Occupation Code
Expeditor / Materials Clerk	16	5,900	43-5071
Equipment Operator	40	2,800	47-2073
Millwright	60	1,050	49-9044
Iron Workers	35	940	47-2221
Riggers	25	170	49-9096
Pipefitter	200	3,910	47-2152
Welder	200	3,690	51-4121
Electrical / Control	85	6,350	47-2111
Carpenter	25	8,060	47-2031
Mason	30	400	47-2021
Apprentices	100	1,040	47-3011-19
Laborer	60	7,610	47-2061
	876	41,920	

⁶ Draft EIS, Appendix M, p. 5.

⁷ See Cowlitz County Board of Commissioners, *Letter to Secretary Foxx in Support of Port of Kalama’s TIGER 2016 Grant Application* (April 25, 2016).

⁸ See Port of Kalama, *Regular meeting minutes* (Aug. 27, 2014); see also Port of Kalama, *Special meeting minutes* (June 26, 2014).

⁹ <http://www.thenewstribune.com/news/politics-government/article62347452.html#storylink=cpy>

Table 7: Occupations and Employees for Plant Operations at KMMEF Versus Local Availability in May 2014, BLS

Plant Operations Employees	Needed at KMMEF	Working In the Region	Occupation Code	BLS Occupation Title
Administration				
General Manager	1	18,460	11-1021	General & Operations Managers
HR Manager	1	150	11-3121	Human Resources Managers
Procurement	2	3,100	13-1023	Purchasing Agents, Except Wholesale, Retail, & Farm Products
Sales Manager	1	4,440	11-2022	Sales Managers
Manager	1	2,320	11-3011	Administrative Services Managers
Accounting	4	8,700	13-2011	Accountants & Auditors
IT Manager	2	3,750	11-3021	Computer & Information Systems Managers
Specialist	5	10,740	13-1199	Business Operations Specialists, All Other
Assistant	3	5,580	43-6011	Executive Secretaries & Executive Administrative Assistants
Clerical/Office support	12	21,510	43-9061	Office Clerks, General
Technical Management				
Plant Manager	1	1,970	11-3051	Industrial Production Managers
Production Manager	1	5,210	11-9199	Managers, All Other
Maintenance Manager	1	5,210	11-9199	Managers, All Other
HSE Manager	1	170	17-2111	Health & Safety Engineers, Except Mining Safety Engineers & Inspectors
Technical Staff				
Process Engineer	2	3,370	17-2112	Industrial Engineers
Laboratory Supervisor	1	320	19-2031	Chemists
Laboratory	11	650	19-4099	Life, Physical, & Social Science Technicians, All Other
Production Staff				
Shift Supervisor	4	4,780	51-1011	First-Line Supervisors of Production & Operating Workers
Control Room Operator	12	120	51-8091	Chemical Plant & System Operators
Process Operator U&O	20	130	51-8093	Petroleum Pump System Operators, Refinery Operators, & Gaugers
Operator	16	5,210	51-9199	Production Workers, All Other
Security Guard	8	6,210	33-9032	Security Guards
Maintenance Staff				
Mechanical Engineer	2	2,560	17-2141	Mechanical Engineers
E&I Engineer	2	1,550	17-2071	Electrical Engineers
Draftsperson/Planner	2	590	17-3013	Mechanical Drafters
Workshop Foreperson	4	370	49-9069	Precision Instrument & Equipment Repairers, All Other
Mechanic	30	3,360	49-9041	Industrial Machinery Mechanics
Welder	7	3,690	51-4121	Welders, Cutters, Solderers, & Brazers
E&I Technical Foreperson	9	250	49-9012	Control & Valve Installers & Repairers, Except Mechanical Door
Electrical Foreperson	1	800	49-2094	Electrical & Electronics Repairers, Commercial & Industrial Equipment
Instrumentation	18	1,300	49-9099	Installation, Maintenance, & Repair Workers, All Other
Logistics				
Store Supervisor	1	790	43-5011	Cargo & Freight Agents
Store Person	6	5,900	43-5071	Shipping, Receiving, & Traffic Clerks
Total	192	133,260		

Sources: NWIW and the US Bureau of Labor Statistics