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***TBLC COVID-19 MEDIA CALL: CORONAVIRUS IN TEXAS: STATE AGENCY STRUGGLES WITH DELUGE OF NEWLY JOBLESS**

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An overwhelmed state website and consistently busy telephone lines are thwarting tens of thousands of newly out-of-work Texans attempting to access unemployment benefits amid the coronavirus crisis.

But Ed Serna, executive director of the Texas Workforce Commission, vowed Wednesday that help is on the way. Serna said the state agency is beefing up staff and expanding hours at its call centers to accommodate the deluge of people who recently lost their jobs, and he said it's working to substantially increase its capacity to handle web traffic.

One of the agency's four call centers typically fields about 13,000 inquiries daily, Serna said, but that figure spiked to 100,000 recently. In addition, "in excess" of 150,000 claims for unemployment insurance benefits came in last week, he said, with claims now totaling nearly 30,000 a day, compared with about 3,000 previously.

The impact of the coronavirus on the economy "is different than anything anybody in the state has dealt with in regard to the sheer magnitude of the problem, as well as the pervasive nature of the problem and the number of individuals that it is affecting," Serna said, speaking on a Facebook Live broadcast held by his agency.

As a result, "I ask that you have just a little bit of patience with us," he said. "I assure you that we will provide you with all the benefits that we have available for you."

The agency's website contained a notice Wednesday saying it was "experiencing a high volume of users" and asking people to "please try back later" if they couldn't get through. A telephone line for benefit claims gave a busy signal.

Still, Serna said the agency is making progress daily to improve the situation, such as expanding its call center hours to Saturday beginning this week, and he urged people to keep trying.

The flood of new applicants for unemployment benefits comes as the economy statewide and nationally has ground to a near stand-still, a byproduct of the effort to stem the coronavirus. Large numbers of businesses, from restaurants and hotels to airlines and oil companies, have cut jobs because the disruptions to daily life have sapped them of customers.

The upshot is likely to be a spike in the state's unemployment rate. The statewide jobless rate registered 3.5% in January, the most recent figure available, just above a historic low of 3.4% that it held through much of last year.

The unemployment rate for March "will be wildly higher" than the January rate, said Jason Schenker, president of Prestige Economics in Austin.

"The optimistic scenario is that it would be at or below 8.3% in the next couple months," which was the peak in Texas during the 2009-2010 economic downturn, Schenker said. "I would say that is a win" if it doesn't top that rate.

State unemployment figures for February will be released Friday, although they aren't expected to reflect the impact of the coronavirus because the bulk of the economic fallout didn't begin until early March.

But a recent report on the Texas oil and gas sector by the Federal Reserve Bank of Dallas illustrates the speed and severity of the virus-triggered downturn. The report, compiled from a March 11-19 survey of executives in the state's energy sector, is "indicative of significant contraction," according to the Dallas Fed.

Survey respondents "were overwhelmingly negative, as recent events have weighed heavily on the industry," Michael Plante, senior research economist at the Dallas Fed, said in written comments. "Relative to last quarter, business activity levels plunged, firms cut capital spending and outlooks became extremely pessimistic."

West Texas intermediate crude, the U.S. benchmark, has been trading at near \$25 a barrel, less than half of its level just a month ago, as virus-induced disruptions to commerce and limits on travel dry up demand.

Plante said the current prices aren't enough for many oil companies in the state to operate profitably.

"The average break-even price for new wells was a little under \$50," he said. "Likewise, based on the survey responses, many (drilling companies) will find it difficult to cover operating expenses at current prices."

Serna, of the Texas Workforce Commission, said Wednesday that anyone who loses their job as a result of such business challenges and is eligible for unemployment benefits will get them, even as his agency struggles to handle the flood of new claims.

"We know that (the problems getting through to the commission) is very frustrating, and it is also at times very scary for individuals who have been let go from work, oftentimes for the first time let go from work," he said. "I assure you that we will help everyone who needs help."