

Steelworkers union pushes local contracts following national deal to end US oil strike

Our reporters
13 March 2015

Following the announcement of a tentative four-year agreement with lead industry bargainer Royal Dutch Shell, the United Steelworkers union (USW) is moving quickly to push through local agreements to end the six-week strike of oil refinery workers.

The national framework, which includes miserly pay increases and promises of union-management committees instead of company commitments to address safety concerns, will form the basis for agreements aimed at ending the strikes at the local level, perhaps within days. There is no opportunity for workers to vote on the national agreement itself.

The USW hopes to ensure that any section of refinery that rejects the sell-out agreement will be even further isolated. As Dave Campbell, treasurer of the USW local covering Tesoro's Carson, California refinery, put it: "It's possible that action will continue. It would just continue on a local level rather than nationally."

As it is, only twelve refineries, accounting for one fifth of US production, were called out by the USW, ensuring a minimal impact on the oil companies. Almost all of the refineries have continued production throughout the strike, using management and engineers as replacement workers.

The move by the USW to rapidly shut down the strike is its response to the growing sentiment among workers for a national strike and a broadening of the struggle to other sections of the working class. The union is concerned that the strike could get out of hand, seriously impacting the profits and production of the oil companies and bringing the workers into a political conflict with the Obama administration, which it supports.

Almost no details are publicly available outside of the scant outline of the national framework provided by the union, which is seeking to present its capitulation to the

companies in the best possible terms. The principal measures touted by the union are supposed safeguards on safety that center on the establishment of corporatist union-management committees.

Out-of-pocket health care costs will reportedly remain at 20 percent, while there will be an annual wage increase of between 2.5 percent and 3.5 percent over the next four years.

Not only do the wage increases barely keep up with inflation, there is no provision to address the fact that workers who have been on strike for six weeks have effectively lost more than 10 percent of their annual income. The union provided the most meager rations to workers on the picket line and many workers have seen their savings dry up.

Since the companies were able to maintain production throughout the strike, the lost wages for workers translate into a significant reduction in labor costs for the oil giants.

The oil companies welcomed the agreement, though they have refrained from issuing extensive comments in order to allow the USW more room to sell it to the workers. "We are glad to have found common ground and to get an agreement in place," Shell's vice president of manufacturing, Aamir Farid, said.

Tesoro Corporation released a statement saying that it was "supportive of the agreement" and would work quickly to sign local contracts.

In some cases, the oil companies are seeking local agreements that would separate out workers from the time frame of the national framework, a practice that has been pioneered in the auto industry. This is the case at ExxonMobil's Beaumont, Texas refinery, for example, where workers continued to work throughout the strike.

A worker at the refinery told the *World Socialist Web*

Site: “Here in Beaumont, ExxonMobil is demanding a five-year agreement to separate us from the rest of the national bargaining agreement. They want to give us a \$4,500 signing bonus for labor peace during an expansion. The local union committee is opposing this. But if ExxonMobil doesn’t honor the [national] tentative agreement and all the other places have already settled, we are very anxious that the local will cave in because the USW International has left us out here alone.”

On the content of the national agreement, the worker said: “The text message I read from the USW was very vague. Especially about the fatigue issue. We won’t know any more until we have our local union meeting.”

He added that workers at his facility had expected to be called out when the strike began. “We were thinking, what is the point that my brothers are walking the picket lines in Deer Park, Texas but we are still working in Beaumont, ExxonMobil’s largest refinery? ‘Take us all out, get it on,’ we said, ‘let’s start the fight.’ Anybody who understood what the unions used to be said that. But the unions aren’t like that anymore.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact