

Walkout at Louisiana gas terminal highlights steel union's isolation of refinery strikers

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Some 1,200 contract workers walked off the job at a natural gas terminal in southwest Louisiana on March 6. The one-day wildcat strike by the non-union workers was virtually blacked out in the local and national media.

This was because their action demonstrated the enormous potential for unionized refinery workers, who are in the seventh week of a nationwide selective strike, to expand their walkout to workers throughout the industry. The United Steelworkers union (USW) has blocked any such action, limiting the strike to only 6,500 of the 30,000 USW members at US oil refineries in order to isolate the strikers and force them to accept a contract along the lines demanded by the oil corporations.

The contract workers who walked out in Louisiana, primarily out-of-state workers from Texas, are working on a multi-billion-dollar expansion of Cheniere Energy's Sabine Pass facility, situated south of the regional oil and gas center of Lake Charles. The low-paid contractors are employed by the construction giant Bechtel, the largest building and civil engineering firm and fourth largest privately held company in the United States, by revenue. Bechtel posted annual revenues of \$39.4 billion in 2013.

One week before the walkout, Cheniere announced plans to raise \$1 billion for the project, which will allow the terminal to liquify and export natural gas. Cheniere has already received \$1.69 billion in tax breaks from the State of Louisiana to operate the Sabine Pass facility—one of the largest tax breaks in the oil and gas industry. One study calculated that this amounts to more than \$75 million per job created.

The walkout began Friday morning when a segment of the work force, mainly pipe fitters, electricians, and ironworkers, discovered that welders on the site were

given a pay increase of between \$3 and \$5 dollars per hour, while the wages of all other workers stayed the same. By late morning, management had gathered the workers into a tent, where an official threatened to summarily fire them if they did not end the walkout. It was also reported that a police officer told strikers to board buses that would take them back to Texas. Most workers refused.

Despite the scale of the walkout, described as a “massive setback” for the construction project, and despite (or because) it coincided with the largest nationwide refinery strike in 35 years, it was met with near-total media silence. News coverage has been largely limited to a few brief paragraphs in local media and trades publications.

The comment sections in the articles give some indication of the mood of the workers. “All skilled Bechtel employees want money in their pockets, not an unreachable bonus incentive. [That's] the general consensus here,” one worker at the site wrote.

A supporter of the contract workers from Texas wrote: “If they really got organized and had a real walkout of everyone, the company would have no choice but to give them a raise. You can't replace that many pipe fitters and electricians on a job like this.”

Both Bechtel and Cheniere have intimate ties to American imperialism. Bechtel is one of the largest defense contractors in the country and enjoyed close ties to the Bush Administration, deriving as much as 10 percent of its annual revenue in 2002 from its defense contracts.

According to a book on Bechtel entitled *Friends in High Places*, the company developed close ties with the CIA in the 1950s and allegedly played a part in the CIA-sponsored coups in Iran and Indonesia. As for Cheniere, its vice president for international

governmental affairs is Albert G. Nahas, formerly the US State Department's deputy director for Iraq economic policy. Nahas works alongside the former CEO of Enron Metal's European subsidiary.

The walkout by contractors took place in a state with several refineries organized by the United Steelworkers, three of which are currently on strike. The Cheniere site is less than a two-hour drive from the Shell refinery in Port Arthur, Texas, the largest refinery in the country, which is also currently on strike.

Workers throughout the oil and gas industry face similar conditions to those faced by refinery workers, particularly when it comes to the companies' disregard for the health and safety of their employees. According to the Bureau of Labor Statistics, 112 workers in the oil and gas industry died in 2013, up 31 percent from 2003.

Last Tuesday, an explosion at a well site in west Texas killed three workers employed by Mason Well Service of Odessa. Company officials have stonewalled media requests for more information on the incident, although a representative of the county Sheriff's office confirmed that only one person survived the explosion.



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