

Striking Houston-area refinery workers reject ‘last, best’ contract offers

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Striking refinery workers at two Houston-area refineries, LyondellBasell’s Pasadena facility and Marathon’s Galveston Bay facility, voted overwhelmingly last week to reject the companies’ “last, best offer.”

LyondellBasell responded to news of the vote on Tuesday by declaring an impasse in the negotiations and announcing plans to unilaterally impose the terms of the contract beginning today. It has made it clear that it plans to replace striking workers if they do not cave in to the company’s demands and return to work.

The companies’ offers are insulting and provocative. LyondellBasell is demanding the 450 workers at its Pasadena refinery accept huge reductions in overtime, or “premium” pay, which would not only result in hundreds of dollars in lost wages per month but also encourage the company to impose even longer and more dangerous work schedules.

The company wants to overturn a standard industry practice won by workers six decades ago that pays workers double time or more on normally scheduled workdays that follow 40 hours of consecutive work during scheduled days off. Under the proposed contract, overtime would only kick in at the federally mandated minimum, or after 40 hours in a given work week, after which workers would be paid time and a half. Double time would only kick in after seven consecutive days of work.

This overtime regime is similar to that used by low-wage employers such as Wal-Mart. The average worker would lose anywhere between \$500 and \$1,000 per month, according to the union, with workers laboring more than 500 hours in overtime a year losing even more.

Marathon’s ultimatum to 1,100 striking workers at its Galveston Bay refinery is similarly severe. The union estimates that the contract would result in the loss of 150 jobs. Chief safety officers—positions established after a 2005 explosion at the plant, which killed 15 workers—would be given new job descriptions and the positions could be eliminated altogether if the company chooses. The company also wants to begin requiring unit operators to perform

pipefitting duties, tasks for which the operators are not trained, the local union said.

About 320 out of 450 total members turned out to vote on the contract at LyondellBasell’s Pasadena refinery, twice the usual turnout for contract votes at the local. The vote was overwhelmingly against the contract, underscoring the determination of the workers to resist the company’s attacks. The union called for a “no” vote but the margin of the defeat was far wider than the 51 percent the union predicted. The recommendation from the union was entirely cynical given that the USW has done everything to isolate and starve the strikers into submission.

Joshua Lege, strike coordinator for USW local 13-227, declared that the union was “ready, able and willing” to continue negotiations even after LyondellBasell declared an impasse. The company, however, has remained intransigent and, due to the treachery of the USW, is on the offensive.

LyondellBasell’s official position in the federally mediated negotiations is that the USW is on an “economic strike,” rather than an unfair labor practices strike as the union has maintained. If the National Labor Relations Board concurs with LyondellBasell, it would be under no legal obligation to rehire any of the strikers. Predictably, the USW is leaving the fate of the workers in the hands of the government agency and has already made it clear it will do nothing if the company fires the entire workforce.

In a public letter published after the vote, LyondellBasell executive vice president Kevin Brown accused the union of “unwillingness to engage in meaningful negotiations.” He also demanded that each striker “evaluates for themselves what the Company has offered, examines the reasons they are out on strike and determines for themselves whether the time, money and energy lost as a result of this strike is equal in worth to the losses they may perceive in the Company’s last offer.”

Expressing the indifference of the union bureaucracy to the fate of the workers, USW strike coordinator Lege complacently dismissed Brown’s letter as “a scare tactic.” The letter, he said, “is a great piece of propaganda, it’s a

Hail Mary Pass to try and scare us and to get more scabs back into the facility before they have to sit down with us again.”

From the beginning, the USW deliberately worked to limit the extent of the strike, calling out only a dozen of the more than 60 refineries it represents. Now it has left workers at the two Houston-area refineries, as well as BP refineries in Ohio and Indiana, to fend for themselves, with no strike benefits, against the full onslaught of the oil companies. Exhausted after nearly three months of being strung out by the union, around 50 of the 450 workers in the local have already crossed the picket line.

The pro-company outlook of the USW was expressed in a strike update sent last month to members of local 13-227, which read: “We are running this refinery better today than ever. And what do we get for it? What do we want for this? Nothing. We are not greedy. A roll over from the last contract is all we expect.”

One of the world’s largest plastics, chemical and refining companies, Dutch-based LyondellBasell made a record \$4.2 billion in profits in 2014. The company’s CEO boasted that last year it spent \$7.2 billion on share repurchases and dividends for its wealthy investors.

This included Ukrainian-born and Harvard trained billionaire Len Blavatnik who was the subject of a *Forbes* article last year. “In the history of Wall Street there haven’t been too many moneymaking machines quite like LyondellBasell, which has seen its shares return 500% since it emerged from bankruptcy four years ago. And that’s been especially lucrative for Blavatnik, 57, who cobbled the company together, saw it fail and plunge into bankruptcy court, and then doubled down on the same assets, personally investing another \$2.37 billion in LyondellBasell the second time around. His investment is now worth more than \$10 billion, generating \$8 billion in mostly unrealized personal profits.”

These vast sums have been made through the brutal exploitation of oil workers facilitated by the USW and other unions in the global industry.

“These companies are taking more and more from working people,” a veteran refinery worker at ExxonMobil’s Beaumont, Texas plant told the *World Socialist Web Site*. “The USW claimed the fatigue language in the national contract would get the companies to hire more people and reduce forced overtime. But they have no intention to do that. Instead they want to cut the overtime pay.

“The companies are running rampant and blatantly attacking the working class. We got a Democrat in the White House and he hasn’t done anything for workers. All the new jobs they talk about are \$10 an hour, just at or really below the poverty level. Hillary Clinton wouldn’t be any

different.”

At the ExxonMobil plant in Beaumont, the worker said, “the union recently made an offer to take the current four-year contract and accept a ‘me-too’ agreement in 2019 based on anything the USW comes up with. That would be seven to eight years with a no strike clause. The company rejected this and demanded even more concessions. It does not even want the union to be able to file grievances based on the BS fatigue language the USW is so proud of.

“It’s almost like ExxonMobil is provoking a strike or a lockout by rejecting every union offer. It also wants a provision for a 90-day strike notice, instead of 60 days, meaning we could not strike until May 1. That would give the company all the time in the world to prepare for a strike.

“ExxonMobil started out saying it wanted ‘labor stability’ while it expanded the Beaumont plant. Now they are openly saying they want this plant ‘off-pattern bargaining’ from the rest of the industry. The fact is, however, the USW has already separated us by leaving the BP, LyondellBasell and Marathon workers isolated.

“From the beginning all the oil workers should have been mobilized or none of us should have. Instead the USW cut a deal with Shell and said to the rest of the oil workers, ‘ok boys, you’re on your own.’ A lot of workers are disgusted with the USW. We did not have the backing we thought that we were going to get. Now they have the nerve to send us text messages telling us to donate to the strike fund.

“I’ve been reading about the auto workers and as far as I can see the UAW is preparing to sell them out just like the USW did us.”



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