

# Workers at ExxonMobil in Billings, Montana reject USW-company sellout contract

Jessica Goldstein  
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In a vote last Wednesday, workers at ExxonMobil's Billings, Montana, refinery struck down the concessions contract offer negotiated by the United Steelworkers union (USW) and the corporation. The contract, negotiated at the national level between the USW and Shell Oil Company on January 31, was voted down just one day after it was officially shared with the workers.

Dan Carter, a spokesman for ExxonMobil, said of the vote: "While we are disappointed in this outcome, the Company remains available to meet with the Union to continue to bargain in good faith."

USW Local 11-470 President Derek Weber said, "We plan to go back to the table and continue negotiating with ExxonMobil. It's in our plan to come to a fair agreement for our contract," in a statement to the press on Wednesday.

The USW is just as disappointed in the contract vote as the oil barons at the head of ExxonMobil. The union came to an agreement in pattern bargaining with Shell and put the contract to a vote after just two weeks of talks. Rather than engaging in anything that resembles genuine negotiations, the union is working with the companies to head off growing anger that has simmered since the USW isolated oil and petrochemical workers and sold out a historic strike in 2015.

The contract agreement reached with Shell is part of a national pattern agreement, which sets the framework for subsequent agreements with other oil corporations. Shell has led the oil corporations in talks with the unions' National Oil Bargaining Program since 1999. Since the contract agreement was announced, other oil giants declared their final contract offers, including BP, Marathon and Valero.

Since the announcement, few details have been released about the three-year proposal. It includes a paltry 11 percent wage increase over the life of the entire contract, with a 3.5 percent increase in each of the first two years

and a four per cent increase in the final year—a "raise" barely enough to keep pace with inflation.

It is not clear whether remaining details of the proposal—on important issues including healthcare, safety, retirement benefits, and scheduling—have been released to members who are voting or have already voted on the contract. The USW declared that members would be able to see further details once it neared time for them to vote. That is, the USW was seeking to push through the contract without giving workers adequate time to study the details and develop opposition.

The "no" vote by the Billings refinery workers gives expression to wider opposition of rank-and-file oil and petrochemical workers to the contract being pushed by the union.

The proposed wage increase of 11 per cent over three years is far less than what the USW originally told its members that it would bargain for—an 8 percent yearly pay increase over the life of the contract. Even the original wage increase proposal was a concession to the major oil corporations, which made over \$198 billion in gross profits in the first three quarters of 2018 alone. ExxonMobil reported its 2018 earnings earlier this month, marking a total of \$68.13 billion in profits last year.

The issues of workplace and environmental safety, which are very important concerns for the lives of oil workers and their families, and the working class as a whole throughout the world, have not been addressed publicly by the USW in the reporting on the contract negotiations. During the 2015 struggle, the *World Socialist Web Site* interviewed an oil worker about the dangerous working conditions and environmental devastation caused by the relentless drive for profit by the oil companies which forces workers to toil round the clock, 365 days per year.

Other oil refineries have reported that contracts have been ratified by union membership: BP in Whiting,

Indiana; Phillips 66 in Billings, Montana; and Valero in both Memphis, Tennessee, and Port Arthur, Texas, among others. The *San Antonio Business Journal* reported that workers were ready to walk out of the Valero refinery in Port Arthur before the contract was pushed through, adding to the USW's long rap sheet of betrayals.

The USW kept workers in the dark throughout its two weeks of negotiations with Shell, providing no details on what was being discussed behind closed doors in Houston, Texas. It is now coming to light how rotten of a deal was decided with the Billings' workers "no" vote.

That other refinery workers voted to ratify the contract is an expression of the desperation that workers face after decades of wage concessions, threats of layoffs and workplace closures, and the stripping away of benefits and safety measures that the USW has ruthlessly enforced at the wishes of corporate management as each new contract rolled around.

The USW worked to isolate and demoralize 30,000 oil and petrochemical workers across the US during the 2015 contract struggle, calling workers at only 12 facilities out on strike, and then pushing through a concessions deal that included a meager 14 percent raise over four years and no gains for workers in regards to benefits and health and safety measures, only the empty promise of "talks with the companies," whose interests are diametrically opposed to those of the working class.

The time is now for workers to break with this rotten organization and the entire trade union apparatus. The USW cannot be reformed, nor will its replacement with another corporate trade union remedy the situation.

Workers at the oil refineries throughout the US are coming into struggle with some of the most powerful corporations in the world. They must take the struggle into their own hands if they are to win the fight for their right to a good job with benefits that guarantees a high standard of living, free from the threat of job loss, dangerous working conditions, and life-threatening health conditions caused by their working environment.

Oil workers should look to the example of the workers in Matamoros on the US-Mexico border, and form committees independent of the unions and major political parties. The wildcat strikes organized by these committees have cost the corporations operating at the US-Mexico border hundreds of millions of dollars and have affected production throughout North America. The strikes have only grown larger since they began over four weeks ago, despite the trade unions' and governments' (on both sides of the border) efforts to stop them.

The USW is isolating oil workers in the US from their brothers and sisters in Mexico and Canada, where large petrochemical and other energy industries operate. A part of the reason why the union was so eager to push through concessions was because it fears, along with the ruling class, the spread of the movement of workers around the world against the capitalist system of exploitation.

The necessity for socialism and economic planning is revealed most clearly through the global energy industry. The giant energy companies make their profits off the backs of workers on every continent on Earth, who are linked together through the global process of capitalist production. As long as the capitalists remain in control of one of the most vital global industries, the destruction of jobs and wages and the environment will continue.

A socialist solution to the crisis faced by energy workers, and workers in all industries around the world, requires that workers link up internationally in a coordinated movement to take power from the hands of the capitalist class in the form of a general strike and struggle for political power around the globe.

Workers must be the ones in control of the production, distribution, and development of the world's energy supply if their most basic demands are to be met. This requires the transformation of the global energy companies into publicly held, nationalized enterprises whose means of production and products will be used to meet the needs of a global society, not the profit interests of a handful of wealthy individuals.

*We ask any oil and energy workers interested in learning more about the fight for socialism to contact us today at [wsws.org/oilworkers](http://wsws.org/oilworkers).*



To contact the WSWs and the Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**