

Hundreds of workers laid off, have healthcare eliminated as Philadelphia refinery closes

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Approximately 950 full- and part-time workers at the Philadelphia, Pennsylvania refinery destroyed by an explosion and fire in June were officially laid off this week. Only a small crew of workers will remain to complete the shutdown of the largest refinery on the US East Coast.

In tandem with the layoffs the company has eliminated healthcare coverage for the workers and their families while also stopping payments into workers' pensions.

The layoffs at the Philadelphia Energy Solutions (PES) facility began last Thursday, August 15, when 80 workers were let go. This past Tuesday another 280 workers were given pink slips and escorted off of the premises. The remaining workers were laid off in batches with everyone being out of work by Sunday.

On top of the permanent workforce, nearly 1,500 people who worked as outside contractors at the plant have also been laid off.

Most of the former workers at the facility are members of the United Steelworkers (USW) union, which is collaborating with PES to limit the negative impact of the shutdown on the company's bottom line.

In a deal negotiated last week, workers will only be paid through August 25 and will not get any severance benefits. This amounts to nothing, since the company was already legally required to pay workers until Sunday, being 60 days from when the layoffs were first announced.

The USW is calling the agreement a victory since the company has agreed to keep some union members to be part of the 80-person crew, most likely made up of union officials and their friends, that will assist in closing the refinery.

PES runs two refineries—Girard Point and Point Breeze—covering over 1,300 acres on Philadelphia's

south side along the Schuylkill River. It is the largest refinery on the East Coast, and the 10th largest refinery in the country, able to process 335,000 barrels of oil a day. It is the major supplier of gasoline for New York City.

On June 21, a fire and a series of massive explosions in a section of one of the refineries sent a massive fireball into the sky and shut down the refinery. The explosion was the result of the continued cuts to maintenance as management attempted to boost profits.

Within a few days of the explosion and fire PES announced it was closing the facility and began laying off the over 2,000 workers and contractors that work at the plant. After a lawsuit was filed, PES agreed to keep their permanent workforce until August 25. In July the company filed for bankruptcy.

The layoffs will have a devastating effect on workers, their families and the neighborhoods they live in.

Many of the workers have worked at the refinery complex for 20 or more years and are in their 50s, nearing retirement age. While the laid-off workers are highly skilled at what they do many companies will not hire them, refusing to pay the cost of retraining them.

In order to find similar jobs, workers and their families would have to relocate to areas along the Gulf of Mexico in Texas and Louisiana.

Furthermore, the termination of healthcare benefits will have a devastating effect. Many refinery workers have or face the prospect of major health issues as they are continuously exposed to toxic chemicals and many carcinogens, such as benzene and hydrochloric acid as well as other catalysts used in the refining process.

Most workers will not be able to afford health insurance on their own. According to the Kaiser Family Foundation, the annual cost of health insurance for a family averaged \$20,000 in 2018, a 5 percent

increase from 2017.

Workers expressed their outrage over the layoffs as more than 500 people packed a community meeting Wednesday night, one of several held this week to discuss the future of the refinery.

“This past week I have watched almost every union employee be walked out—and, yes, I’m sorry I’m going to cry—but it’s been very, very emotional,” Patty Beach told the crowd, according to *Plan Philly*. “These are people that I have worked for for 20 years and they’re going to be disbanded and taking jobs all over the continent.”

Beach worked at the plant for 21 years, working 12-hour days. Two of her sons and a son-in-law also worked there. Beach also pointed out the impact on the entire community. Noting that she pays about \$3,000 a year in local taxes, multiplied by the number of people laid off, this will result in a significant hole in Philadelphia’s budget.

“Where is that money going to come from if we stay closed?” Beach asked. “It’s going to come from the community’s pockets, because they’re either going to lose things that that money provides for, or they’re going to be asked to pay more.”

Pat Delaney, a worker at the refinery, also pointed to the effect on the community. “These are the people that are in your community, these are the people who do the blood drives, these are the people that support United Way,” he said.

“These are the people that work with us, these are your children, these are the future, your neighbors, your friends, your family. If you want to close it, that is the wrong direction, believe me.”



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