

Valero oil workers in Texas reject sellout contract

Texas oil worker calls for industry-wide mobilization to back Chevron strike

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Conditions are arising for oil workers to break the isolation imposed by the United Steelworkers (USW) of the nearly two-month-long strike by 500 workers at the Chevron refinery in Richmond, California.

Two weeks ago, 350 workers at Valero Energy Corp's McKee refinery in Sunray, Texas voted to reject a local agreement brought back by the USW. According to news accounts, workers refused Valero's offer because of concerns over changes in work assignments and schedules, which would make work even more exhausting and dangerous.

Like the USW-backed deal that Richmond Chevron workers shot down, the contract at the Texas Valero refinery included the economic package contained in the national USW agreement, which the union imposed on 30,000 refinery and petrochemical workers across the country in February and March. It includes a 12 percent raise over four years, which amounts to massive cut in real wages given the current 8.3 percent annual inflation rate.

USW President Tom Conway announced the sellout deal, which he praised for “not adding to inflationary pressures,” just days after holding a virtual meeting with President Biden. The USW blocked a national oil strike to prevent any disruptions to Biden's reckless war drive against Russia.

“The recent rejection of the contract offer by Valero workers reflects the increasing unwillingness of oil workers across the country to continue to accept the concessions forced upon them by the USW and the oil companies,” a Texas Marathon worker, Connor, told the *World Socialist Web Site*.

Connor warned that the USW would actively work to defeat the struggle of the Valero workers. “The USW

will certainly attempt to isolate these workers in their struggle, as they have done previously with Exxon workers in Beaumont and currently with the workers at Chevron's Richmond refinery.”

Chevron workers, who live in the costly San Francisco Bay Area, are fighting for raises that address the historic surge in the cost of living and to end Chevron's hated “standby” policy, which keeps workers virtually on call.

“True to form, the USW remains relatively silent regarding the ongoing Chevron strike, with local reps divulging little or no information to workers about the status of the negotiations. So much for solidarity,” Connor continued.

In response to the workers' stand, the USW has blacked out any information about the walkout and is isolating the striking workers from tens of thousands of their co-workers at oil and petrochemical facilities across the nation. This same strategy was used at the ExxonMobil refinery in Beaumont, Texas, where the USW worked tirelessly to isolate and wear down workers. After 10 months, the USW agreed to a deal that destroyed seniority rights and quadrupled the probationary period for new hires.

Connor explained: “Despite crack spreads at levels previously unheard of and soaring profits—oil companies have been reporting Q1 earnings multiple times higher than those of last year—workers are expected to survive on paltry wage increases that don't even come close to keeping up with record inflation. While Marathon, the lead negotiator in national oil bargaining, imposed upon workers a mere 2.5 percent wage increase, executives at the same company increased their own compensation by an average of 20

percent last year, according to the company's proxy statement."

The struggle of US oil workers takes place as millions of workers throughout the world have taken to the streets to protest the surging cost of living. Meanwhile, the massive oil and gas corporations have profited immensely from the rising cost of oil.

In the first quarter of 2022, Shell's profit earnings rose to \$9.1 billion from \$3.2 billion in the same period last year. BP recorded its highest quarterly profit in over a decade, more than doubling its profits to \$6.2 billion from \$2.6 billion during the same period last year.

At the end of April, ExxonMobil reported \$5.48 billion in profits during the first quarter of 2022, also more than doubling its profits from the first quarter of 2021. Chevron reported a quarterly profit of \$6.26 billion, over four times its earnings of \$1.4 billion in the first quarter of last year. Valero's quarterly refining profit margin more than doubled to \$3.21 billion since last year.

The US oil monopolies were only able to put up such massive profits by artificially jacking up prices and imposing cuts in the real wages of oil workers, with the assistance of the trade unions.

"As faith in the union wanes due to workers becoming increasingly aware that the USW's interests no longer align with their own, it is readily apparent that, should oil workers wish to combat the joint effort of the oil companies and the unions to squeeze every drop of value from them, they will have to take the fight into their own hands," said Connor.

The struggles of oil workers at Valero in Texas, Chevron in California, and nationwide cannot remain isolated under the watch of the USW. If workers remain isolated, whatever agreement the USW and the oil giants come to will not address any of the workers' concerns.

"The experience of oil workers is not unique, as those in other industries, including education, healthcare, and other manufacturing sectors, are realizing that the struggle to maintain an acceptable standard of living in the face of corporate greed must be fought on two fronts—that is, against the ruling class that sees them as merely a source of revenue and the trade unions that are just as complicit in this exploitation," Connor added.

"The only path forward to liberate the working class

from this oppression is through democratic, worker-run rank-and-file committees that can genuinely act in the interests of the workers."

This requires workers to break out of the straitjacket imposed on them by the USW and help build the Oil Workers Rank-and-File Committee (OWRFC) to unite all oil workers in a common struggle against the surging cost of living.

To join the Oil Workers Rank-and-File Committee, email oilworkersrfc@gmail.com.



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