

Phillips 66 locks out 385 Linden, New Jersey, refinery workers after rejection of concessions contract

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22 October 2026

On October 19, Phillips 66 locked out 385 workers at its Bayway refinery and Linden terminal in New Jersey after they rejected the company's latest contract offer. The workers, members of Teamsters Local 877, had voted down a tentative agreement 196 to 160 during a contract extension. When the extension expired at 4 p.m. that afternoon, they were barred from the plant.

Bayway, which processes 275,000 barrels of crude oil a day, is the largest refinery on the East Coast. The lockout follows the course set by BP at Whiting, Indiana, where more than 800 workers have been locked out since March 19, and by Marathon at Martinez, California, where about 120 workers have been kept out since April. In each case, the company has kept the plant running with managers and replacement labor while it seeks to impose job cuts and concessions on an isolated workforce.

The lockout is a corporate offensive aimed at imposing massive concessions. Perhaps the most significant is the proposal to increase the probationary period for new hires from 10 months to as long as six years by tying probation to a new qualification system.

This would keep a large section of the workforce in a state of permanent insecurity, able to be dismissed without recourse.

The company also seeks to shorten the 30-month training period and reduce qualification requirements—meaning less-skilled workers would operate dangerous equipment. According to the union, the company's latest offer also included concessions on wages and healthcare. Phillips 66 insists on retaining an Absence Control Policy introduced in 2025 that allows discipline, including termination, for absences due to illness. It has also cut workers' sick days.

The consequences are already evident. "People are coming to work sick, OK? And when you come to work

sick, sometimes you have an accident, make a mistake," refinery worker Ed Goldmann told CBS on October 20.

The company is imposing this on a workforce already on exhausting schedules. "Many of our folks will work extended shifts, 13 days on, 13 nights on before a single day off," Local 877 President Jeff Sanford told News 12.

That is 26 consecutive shifts. The oil industry's own fatigue guideline, American Petroleum Institute Recommended Practice 755, limits a stretch of consecutive shifts to 92 hours in normal operations and 182 hours during maintenance outages. Even at eight hours a shift, 26 shifts would exceed both. The US Chemical Safety Board, which criticized those limits as too permissive, found that fatigue contributed to the 2005 explosion at BP's Texas City refinery, which killed 15 workers. Some operators there had worked as many as 29 consecutive 12-hour days.

The lockout has now removed experienced refinery workers from the facilities, including about 120 members of the refinery's fire brigades and oil spill response team, leaving management to rely on supervisory and technical personnel to keep operations running. The danger is such that Linden's mayor, Derek Armstead, has raised concerns about emergency response capabilities and asked the company for a briefing on emergency staffing, fire suppression and hazardous materials procedures.

Bayway Vice President Donald Susanen brushed the concerns aside, insisting that the facilities continue to operate "with properly trained and qualified personnel" and that "the refinery remains fully staffed with no reduction in roles or responsibilities."

The record gives no grounds for such assurances. In January 2024, a fire at Bayway injured a worker. In July 2025, a storm-related power outage forced a partial shutdown, and the refinery's sewer system leaked oil into

Morses Mill Creek. In August 2025, a fire in the fluid catalytic cracking unit cut gasoline output.

During the BP Whiting lockout in Indiana, the first four months under replacement crews saw four flaring events, a fire and a major power outage. During one flaring event on April 26, workers inside were told to shelter in place, while nearby residents and the locked-out workers were not notified.

The lockout comes as Phillips 66 is reaping enormous profits, in large measure due to the surge in fuel prices driven by the US-Israeli war against Iran. In the second quarter of 2026, the company reported earnings of \$3.85 billion, up from \$207 million in the first quarter. Its refining segment alone made \$3.06 billion before taxes. On July 31, 2026, it authorized an additional \$10 billion in share repurchases.

Phillips 66 has set a target to reduce adjusted controllable refining costs to about \$5.50 per barrel in 2027. By the second quarter of 2026, it had already reached \$5.57. The lockout is the labor component of an openly declared program to reduce costs and increase shareholder returns.

While the company has gone on the offensive, the union leadership has sought to avoid a fight. On September 29, workers authorized a strike by 92 percent, with about two-thirds of the membership voting. When the contract ended on October 1, rather than strike, the union leadership extended the contract. The extension allowed the company to keep operating, line up supervisors and contractors, and prepare for the lockout, while the workers' strike leverage evaporated. On October 19, the lockout fell on a workforce that had been told to keep working.

During the extension, the Local 877 leadership reached a tentative agreement with Phillips 66 and brought it to the membership, which rejected it.

This was not the first time this has taken place. In 2019, Bayway workers rejected a contract 266 to 163 over the company's demand that operators cover multiple refinery units, which they warned was a threat to safety. Then, too, the union kept them on the job under rolling 24-hour extensions. On both occasions, it was the rank and file, not the union bureaucracy, that stood in the company's way.

The union's response to the lockout has been to confine the struggle to the channels it controls. On October 21, it filed an unfair labor practice charge with the National Labor Relations Board, alleging refusal to bargain and coercive conduct. It has maintained pickets and said

negotiations will continue. But there is no announced plan to mobilize other Teamsters locals or refinery workers nationally in coordinated industrial action.

Workers at Whiting and Martinez have faced the same isolation at the hands of the United Steelworkers. In February, the USW signed a national pattern agreement for refinery workers granting 15 percent over four years, far below the 25 percent workers had voted for, and it has left each local to fight on its own.

The lockout must be ended immediately. The company's demands for concessions must be rejected. The workers must defend safe staffing levels, full training and qualification protections, and their wages and benefits.

The past month has shown that the workers cannot rely on union officials that negotiated the very agreement they rejected.

The workers must take the fight into their own hands by forming independent rank-and-file committees, outside the control of the union apparatus, to organize the struggle. These committees must reach out to workers at the Linden terminal and the contractors throughout the wider Bayway complex, to the locked-out workers at Whiting and Martinez and to refinery workers in Paulsboro, Delaware City and across the East Coast. They should demand that the Teamsters pay full benefits from the union's strike fund to every locked-out worker.

Above all, rank-and-file committees would break the isolation in which every one of these struggles is being fought. The workers at Bayway, Whiting and Martinez face the same demands, the same attacks by management and are confronting union officials who work to keep them divided. The fight at Bayway is a battle in a nationwide drive by the oil companies, and it can only be won by breaking out of the isolation imposed by the union apparatus and uniting refinery workers across companies and regions.



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