Socialist Organiser
INDUSTRIAL SPECIAL
5p if sold separately

BAXENDELL, SHELL
Salary (1980) £151,000 – nineteen times the average worker's wage. Nickname Goldfinger. He hates ICI as well as his workers.

HODGSON, ICI
Salary £142,000 – sixteen times the salary of his average worker. He hates Shell and Esso as well as his workers. He is taking the government to court because they have given Shell and Esso more money than any worker will see in a lifetime – instead of giving it to him.

FORSTER, ESSO
Salary a measly £94,000, ten times that of his average worker. Made a pact with Shell to put ICI out of business.

WALTERS, BP
Salary £144,000, sixteen times that of his average worker. Nickname Jed Clampett. Believes in using hillbilly methods where his redneck workers are concerned.

THE GREAT OIL ROBBERS

IN 1962 the Great Train Robbers got thirty years for stealing a paltry few million pounds. In 1982 the Great Oil Robbers have despatched £2.5 *billion* abroad in profits, interest, and dividends.

The plunder of North Sea Oil by the multinational barons has yielded a hundred times more than Buster Edwards and Ronnie Biggs got away with. And yet they are still not satisfied.

In 1982 they are trying to hold up Britain's oil and petrochemical workers. Their demand is a simple one. Your money *and* your life!

The seven ugly sisters, Exxon, Mobil, Shell Texaco, Gulf, Standard Oil, and BP, vast business empires whose assets outstrip the Gross National Product of many nation states, have got problems. All over the world there is a reduced demand for oil and petrochemical products.

In the UK the situation is worsened by the deflationary policies of the Thatcher government. Even though profits are still substantial, they are falling.

Shell, for example, announced in August that its net profits for the first six months of 1982 were £794 million – a king's ransom but 21% down on last year. And to the multinational moguls, it's that 21% that matters.

Panic all round! Texaco is offering free certificates for MacDonald's spare rib sandwiches to entice more motorists to pull up at the pumps. Exxon has instructed its executives to stop flying first class.

But the reflex action of the millionaire managers is to make the ordinary workers, the men and women who actually created the immense oil wealth, foot the bill. The methods are obvious. wage cutting, redundancy, plant closure.

It's already happening. As Britain reaches the highest ever unemployment figures, with over one million now jobless for over a year, the oil bosses are handing John and Joan oil and chemical worker second-class tickets for the big dole show.

Closures so far announced include.

* Burmah Ellesmere Port (1000 jobs lost),
* Isle of Grain (1,700 down the road),
* ICI Wilton – 1,000 jobs gone.

3,000 jobs are to go in plastics alone. BP's European refinery workforce will contract from 31,000 to under 25,000. Employment in the chemical and allied industries has collapsed from 441,000 in October 1979 to 389,000 in October 1981. In the year to October 1981 alone 29,000 workers were consigned to the misery of the dole queue – 29,000 jobs for the younger generation were lost.

You ain't seen nothing yet. One round of redundancies lead to another. It's the younger workers with less seniority who are now in the firing line.

With fewer volunteers because of smaller severance payments on offer management are pushed into compulsory redundancies.

More and more workers are saying just one thing. "It's time to stop the rot. It's time to make a stand".

The unions across the industry, if we all stand together, have tremendous potential power. The multinationals have an awful lot to lose.

They all have vast assets. The demand for oil and gas, though presently depressed, is likely to turn up in the future.

There are vast reserves which will last well into the 21st century. They can be forced into maintaining jobs. But they won't look after us. We have to look after ourselves.

They are integrated. *They* plan. *We* have to do the same.

In the past we have been too aware of our own specific problems. Now there is one thing that clearly binds us together. the need to protect our livelihoods.

To do this we have to build a strong oil and petrochemical combine, embracing all workers, from platform operatives to clerical workers in refineries and plastics.

Such a committee, forging links across all sites, will be able to campaign for industrial action to protect all jobs. If the employers close one plant, we must close the rest.

And such a combine will also be able to campaign for the employers' books to be opened, so that we can see what is really going on, and produce our own plan for an industry owned and controlled by the workers.

WANTED - FOR LARCENY

This supplement has been prepared by Noel Hibbert and John McIlroy in cooperation with the Shell Carrington Joint Shop Stewards Committee, with the aim of building support for the national combine committee in oil and petrochemicals.

PROFITS GUSHER FUELS JOBS BONFIRE

IN SEVEN short years Britain has jumped from nowhere to fifth place in the world oil producers' league. Not only is Britain self-sufficient in oil and gas – and it will be so until the mid 1990s – but it is exporting 60% of North Sea Crude abroad, principally to the USA.

What's more, it's a known fact that the Americans are storing large amounts of British oil in underground caves and are using it as a 'strategic reserve' for their economy in the eventuality of a new war.

A casual glance at the figures shows the colossal contribution of North Sea Oil to Britain's Gross National Product:-
£13¾ billion in 1981/82, £17½ billion in 1984 and a projected £20 billion by 1985.

Yet in startling contrast to this bonanza of profits refinery complexes are being closed at an alarming rate. A Bonfire of Jobs is being stoked up!

In 1980 nearly 50% of

by Noel Hibbert and John McIlroy

North Sea oil was exported, and the proportion of North Sea oil going through UK refineries has gone down from 57% in 1977 to 49% last year and to a miserly 45% in the first six months of 1982.

The problem is that the bulk of the money, oil and gas itself is being pumped off to non-unionised parts of the globe where it can be refined cheaper than at home. Indeed, it is the conscious policy of BP, Shell, Esso, etc., backed by the Thatcher Government, to run down the refinery capacity in the UK and Europe and to redirect crude oil and gas to new refinery complexes being built in the Middle East.

In 1980, Shell agreed to build a giant petro-chemical site at Jubail in Saudi Arabia (cost £1:26 billion). MOBIL OIL soon followed suit with a £775 million complex at Yanbu, and EXXON got in on the act with a $1.1 billion project in Saudi Arabia as well.

All of these new complexes will produce ethane, that is gas which is liquified then transformed into the 'building blocks' for a wide range of commercial products. Most of these new enterprises begin large scale production in the mid-to-late 1980's and threaten the very existence of a petro-chemical refining industry in the UK and Europe.

Now workers in the industry may know that Ethane is a cheaper substance for chemical manufacturing than the traditional feedstock put through UK plants, i.e., Naptha, hence the oil giants interest in gas-ethane. So why can't UK refineries use ethane as well?

Because the Government refused to build the Gas Gathering pipeline and because the 'Great Oil Robbers' can make more money by refining it abroad.

Significantly, the UK economy lost £500 million in gas that had to be flared off in the North Sea last year, because the Tories refused to pipe it ashore. In practice, Thatcher is hand in glove with the 'seven ugly sisters' even to the detriment of UK chemical companies, like ICI.

Let's look at the facts The Tory economic policy backs the oil companies to the hilt. All oil is traded in American dollars, hence by depressing the value of sterling against the dollar the Tories have made it more profitable for companies to export North Sea crude for refining elsewhere, rather than in the UK.

Also by de-nationalising BNOC (British National Oil Corporation). the big companies no longer have to compulsorily land UK oil in Britain, as they had to under the Labour Government, so it can now be piped off elsewhere straight from the drilling platform. Even more, the creation of the new private conglomerate BRITOIL means that the international finance houses can own the oil fields and do what they will with them.

That the Government connives with the multinationals against British workers and even UK companies (!) cannot be doubted.

Indeed the recent decision of ICI that its massive Wilton refinery may well have to close with the loss of thousands of jobs, is a direct product of the Government agreeing to Shell and Esso's policy that the Gas Gathering Pipeline should not be built.

Pipeline

The Pipeline would have been ICI's only mass source of cheap Ethane, a necessary feedstock for fulfilling the UK's internal market demand for chemical derivatives, but Shell and Esso spent a fortune 'persuading' Thatcher not to build the pipe-line. Needless to say, both Shell and Esso have their own pipeline feeding Ethane from the Brent Field to their new refining complex at Mossmorran in Scotland.

The consequences for ICI of this development will be devastating: wholesale closures and redundancies as it is squeezed out of its markets in the UK.

Their only chance of competition would have been through the Gas Gathering Pipeline selling cheap Ethane.

Such developments are the product not of the laws of the marketplace' as Thatcher says, but of the cold calculation by the Government and oil barons to strengthen the hand of inter national capital against the interests of British workers.

Moreover a recent report for the EEC by the consultants 'Joe Roehςr Associates' discloses that ten further refineries may well be closed by the mid-eighties as mark ets are flooded with cheap commodities from the Middle East.

In reality the oil barons are benefitting from the years of plenty in the 50s and 60s when oil was dirt cheap and workers in the industry were part of a wage earning elite. They can move production and refining facilities around the globe like a chess grand master can move his pieces around the board.

The oil business is the most profitable industry in the world economy. Only a fool or a profiteer would believe the line that 'contracting balance sheets mean we have to cut back on employment'. In 1980, Mobil, BP, Royal Dutch Shell, Exxon, Texaco, Gulf and Chevran amassed a combined turnover of almost $450 billion. BP alone has a higher turnover on a yearly basis than Austria. In 1979 the seven goliaths grossed $21.9 billion in net profits - in 1980 this went up to $23.3 billion!

Furthermore, the argument that it is totally uneconomical to refine petrochemicals in the UK just does not hold water. Even the US giant, AMOCO can supply the rest of Europe from its one UK refinery complex and still make $434 million dollars profit in 1979.

Of course the recession

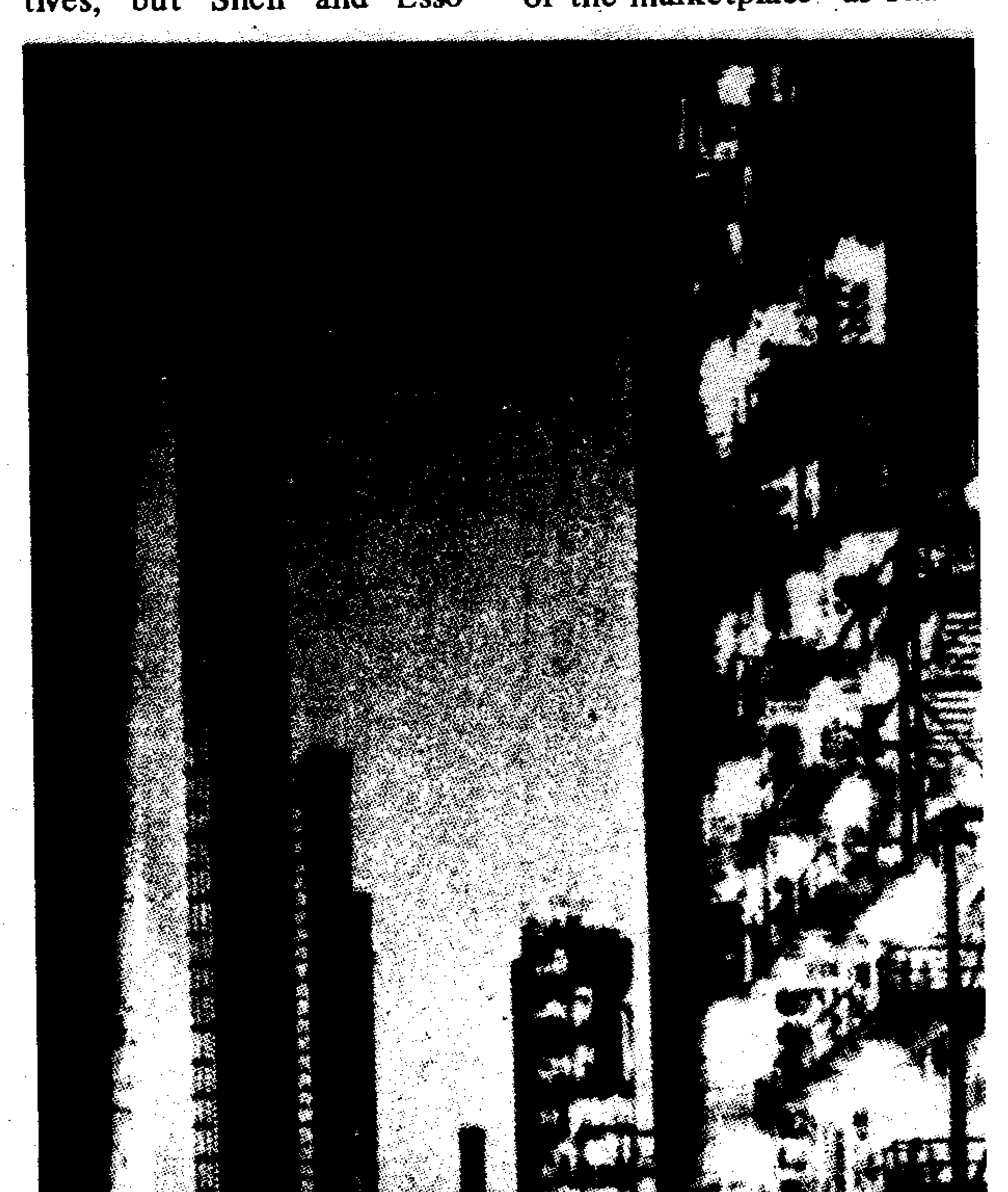
SO YOU THOUGHT you didn't need a combine committee...

"Each of them soon developed into an 'integrated oil company', controlling not only its own production but also transportation, distribution, and marketing. With their own fleets of tankers they could soon operate across the world in every sector of industry from the upstream business of drilling and producing at the oilfields to the downstream activity of distributing and selling at the pumps or the factories.

"And each company strove with varying success to be self-sufficient at both ends so that *their* oil could flow into *their* tankers, through *their* refineries, to *their* filling stations.

"It was this world-wide integration, together with their size, which was the common characteristic of these seven".

Anthony Sampson, 'The Seven Sisters'



"REDUNDANCIES are inevitable at Shell. We just cannot afford to keep the workforce at its present size" – a Shell UK manager.

Royal Dutch Shell group – employees, 166,000. 1980 sales: £41 billion. 1981 sales: £34 billion.

Who's kidding whom?

LAST TIME around Lab
North Sea oil, and now
back. Labour's Programm
*** The British Natio**
have at least a 50% sha
since 1975, and all future
*** BNOC should exter**
and petrochemical n
exploration.
*** BP should be**
ownership.
*** Support for the**
Committee.
Does this go far enoug

has had its effect on the industry just like any other. The oil price rises of 1973 and 1978 had the function of depressing the demand for oil-based products, this dropped by 10% between 1973 and 1980. But nobody can deny that oil is an industry for the future and that the industrial development programmes predicted for Third World countries in the late 80's offer the prospect of renewed expansion.

The major question for workers is who will benefit from the growth of the industry?

Under the present system the answer must be 'nobody who works for the oil companies". Overall the oil and petrochemical sector has greater strategic significance for the UK economy than any other industry, including coal. Besides basic fuels for energy, the derivative commodities from the industry feed into every sector of economic life, and the present run-down of refining will have a domino effect throughout the land.

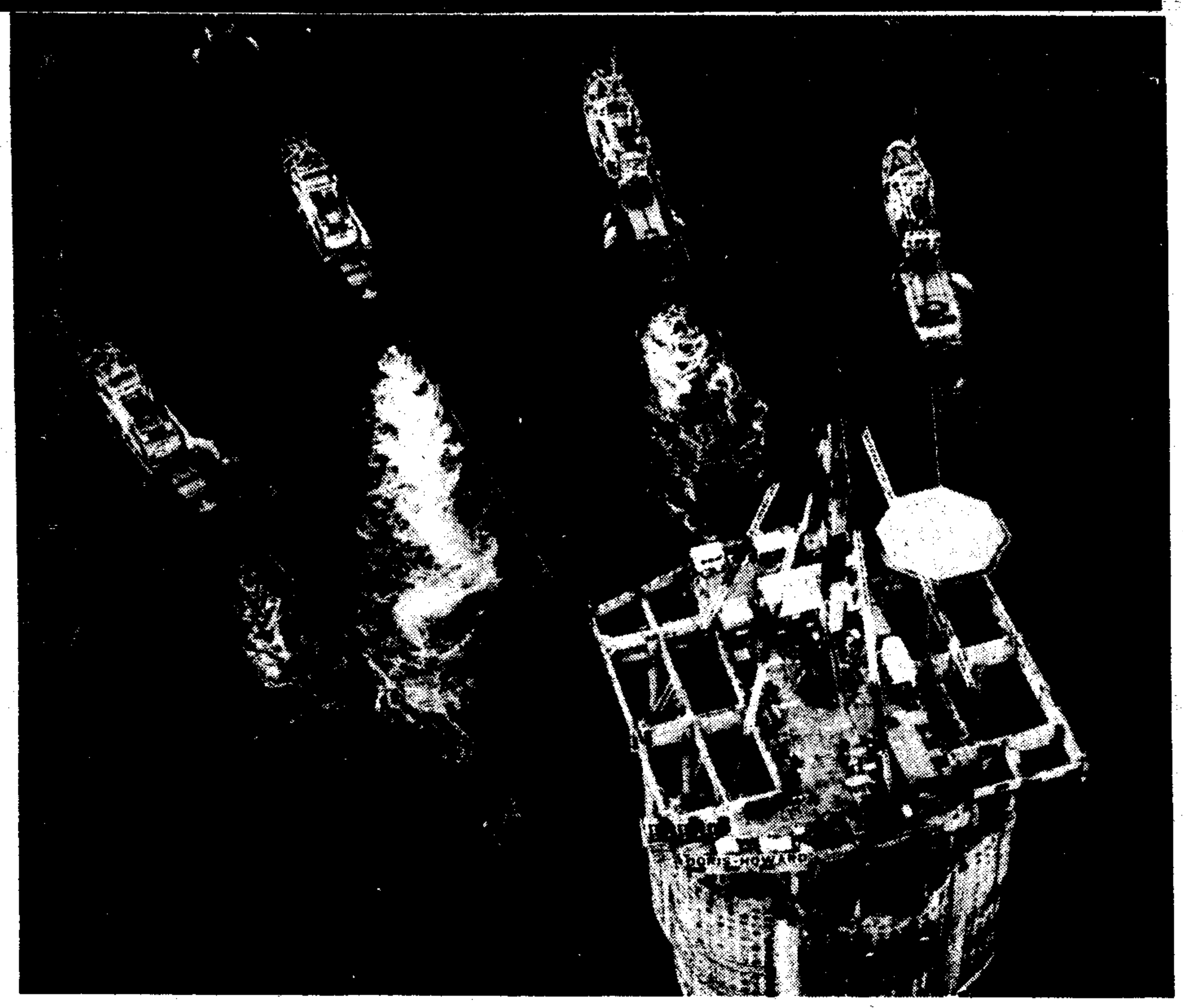
Where oil and petrechemicals differ from coal is in *the power of trade union organisation in the mines.*

Last year the Tories ran a mile when the National Union of Mineworkers threatened strike action against any pit closures. There is no objective reason why workers in our industry cannot become as well organised as the miners.

Unlike British Steel or British Leyland, the oil barons are sitting on profit levels of unimaginable proportions. They've got more money than a number of European Governments. This wealth, both the money and the oil, needs to be taken into collective ownership, and its development planned out rationally for the benefit of working people and their families. But this can only be achieved by starting out from where we are at today, by opposing redundancies and refinery closures, and by building a powerful national shop floor organisation across all refineries and plants in the country.

Only in this way can we save jobs and defend the industry.

our only took a 51% stake in
the Tories have pushed that
e 82 states that:
al Oil Corporation should
e in all oil fields discovered
discoveries.
d into refining, distribution,
anufacture, as well as
rought fully into public
Offshore Industrial Liaison
h?



UNION organising in the North Sea is a difficult business. The bosses' tricks, victimising members, moving stewards from rig to rig, blacklisting activists, are well known.

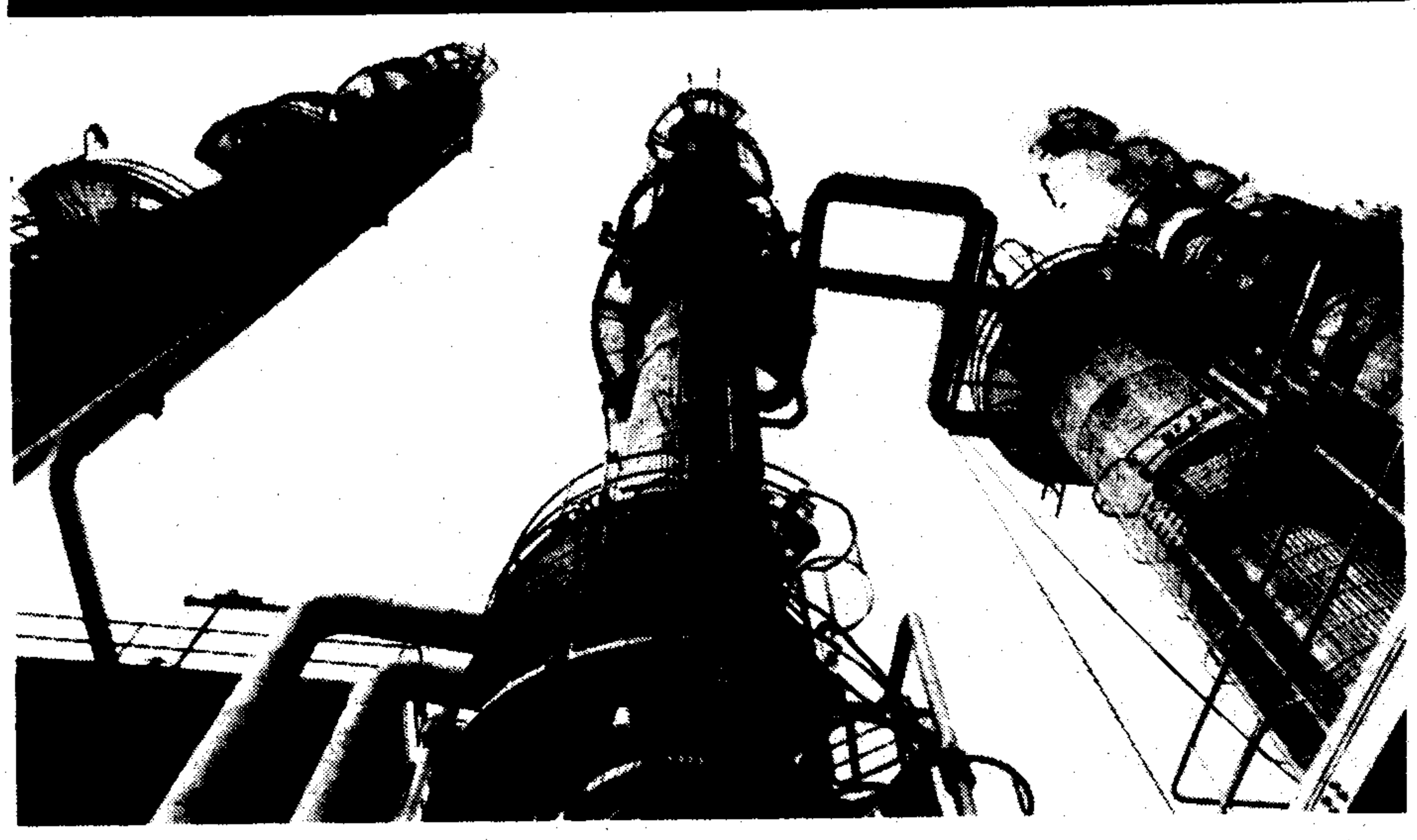
Now the gaffers have come up with a brilliant new stunt. Oil rig trade unionists are to be Freud alive!

Phillips Petroleum, who own fields off the Norwegian coast, are making it compulsory for shop stewards to be psycho-analysed by management psychiatrists.

When 180 Mobil workers recently joined ASTMS, TGWU, and the AUEW, Mobil refused recognition and got management psychiatrist Robert de Board to produce a report. Why do workers join unions? According to de Board, it is nothing to do with wages and conditions. They are suffering from 'acute anxiety' because of the 'macho image' of the oil business.

They join unions because they need 'a feminine mothering side of human nature'.

Have you ever heard anything like it? If trade unionists need 'a shoulder to cry on', management and their shrinks need 'a kick up the arse'.



THE WAY FORWARD

Oil is liquid gold, the basis of world manufacturing industry. It is being used in the interests of multinational capital rather than for the benefit of workers to improve living standards, or for roads, hospitals and schools.

Indeed, they are now being asked to sacrifice their livelihood so that the multinationals can maintain their profit levels. Workers have not reaped the benefit of the oil boom. They should not have to pay now.

Oil based products are used in every industry in the UK, from vehicles to electronics. All UK workers have a stake in the future of oil and petrochemicals. If workers' interests are to be taken into account, it is vital that we should organise across the industry.

The obvious vehicle for this is a fully representative Industry Combine Committee.

Such a committee could

- lead a fight for no redundancies by campaigning for solidarity action.
- It could provide the focus for a major recruiting drive to ensure that everybody who works with oil is a trade unionist, particularly the encouragement of trade unionism in the offshore installations.
- It could build links with other workers whose industries use oil products.
- It could produce a central means of propaganda to ensure that the basic issues facing us as trade unionists are taken into the plants and every rank and file worker is educated in the problems.
- It could provide a focus for arguing that if the employers claim they are in trouble, then their books should be opened for our inspection.
- It could also, working with sypathetic researchers draw up a plan for an integrated industry to be taken into public ownership by the next Labour government — a plan which would ensure that the industry was run by its workers in the interests of all UK workers.

It would be an addition to, not a substitute for, action now.

Oiling the wheels of capital

"NYE BEVAN once said Britain was surrounded by fish and built on coal. He forgot to mention it floats on the fourth largest oil deposits in the universe.

Yet this oil has been used to lubricate the wheels of international finance rather than steering Britain's four million unemployed back to work.

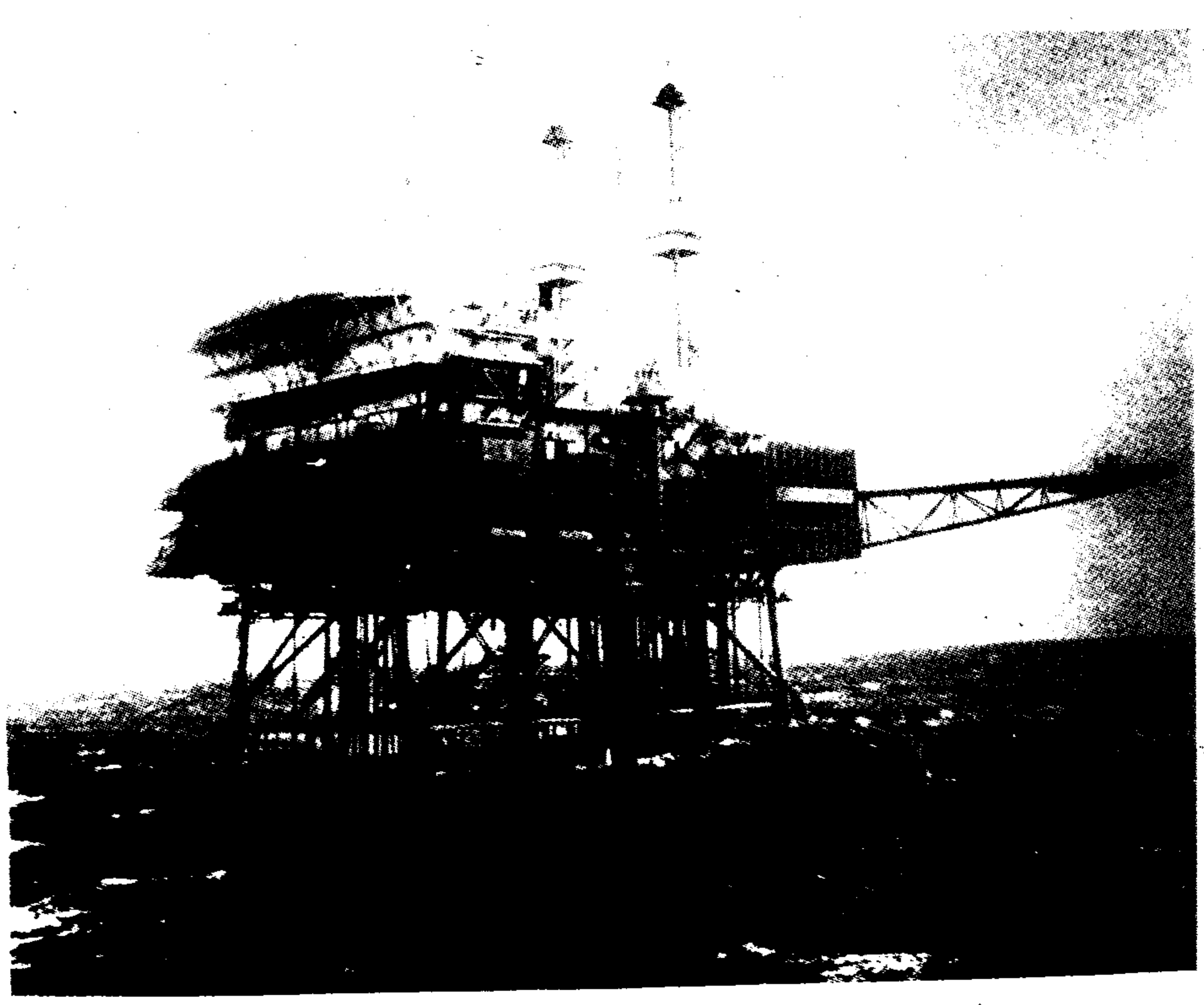
The only way to stop the oil barons and protect our jobs is through strong vigilant union organisation which links all workers across the industry. We need a national oil and chemical combine.

We need more unity.

In this context I welcome the moves to draw up plans for joint wage negotiations for all manual workers in the refineries.

The other major threat is redundancy, and yet we are facing another round of productivity, Esso at Farley and BP at Grangemouth. This is crazy at a time of job loss".

TOM HART, TGWU branch secretary and senior steward, Akzo-Chemie.

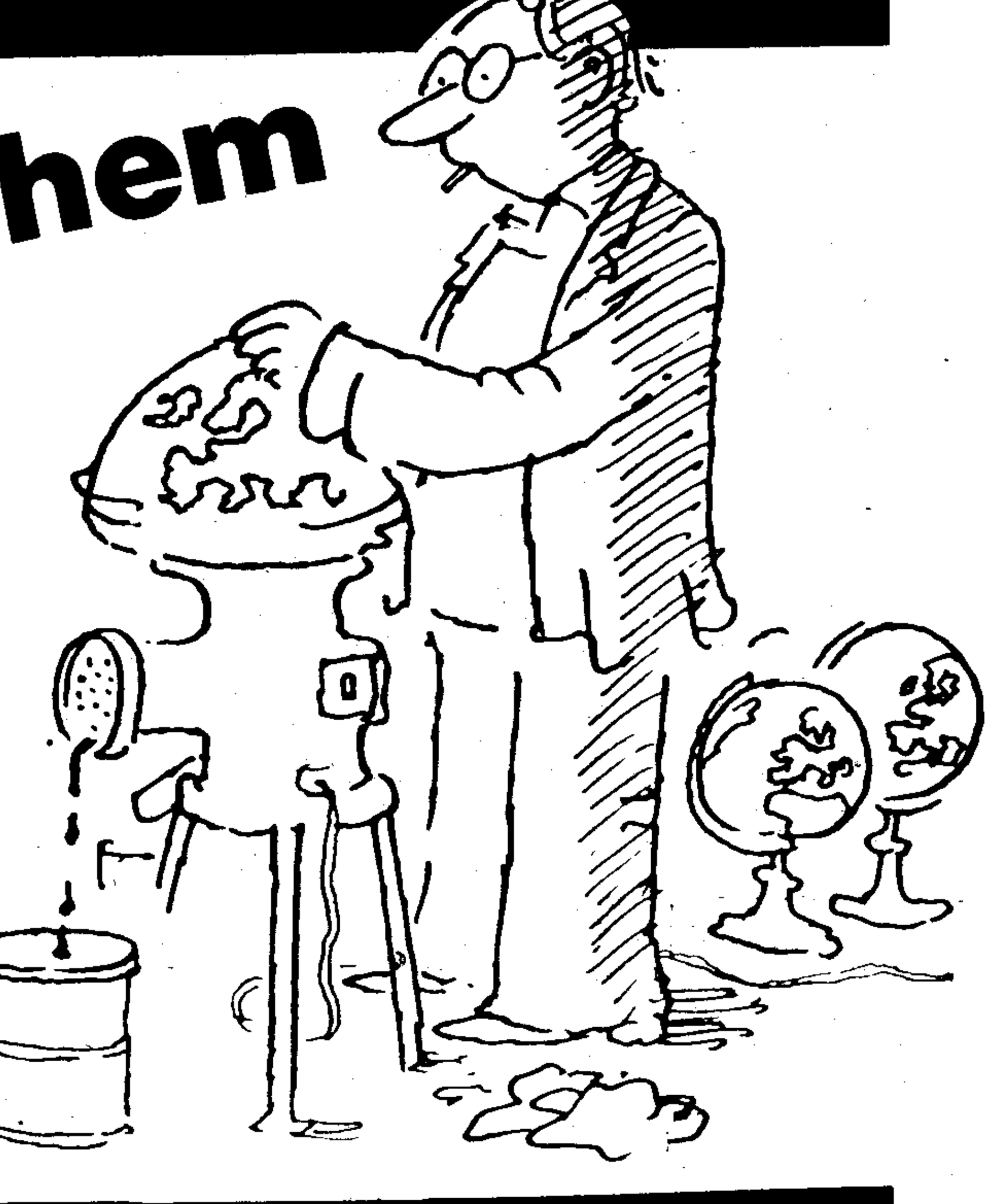


When we spoke to TONY BENN about the Oil and Petrochemical Workers' Combine, he said:

"Our experiences show that without strong trade union representation and disclosure of information, the multinational companies will pursue policies contrary to the interests of this country and of its own workers.

"The role of combine committees and trade unions at the national level must be to provide a check against these developments. We must achieve 100% public ownership of these offshore oil assets. Best of luck in your venture".

Petrochem News

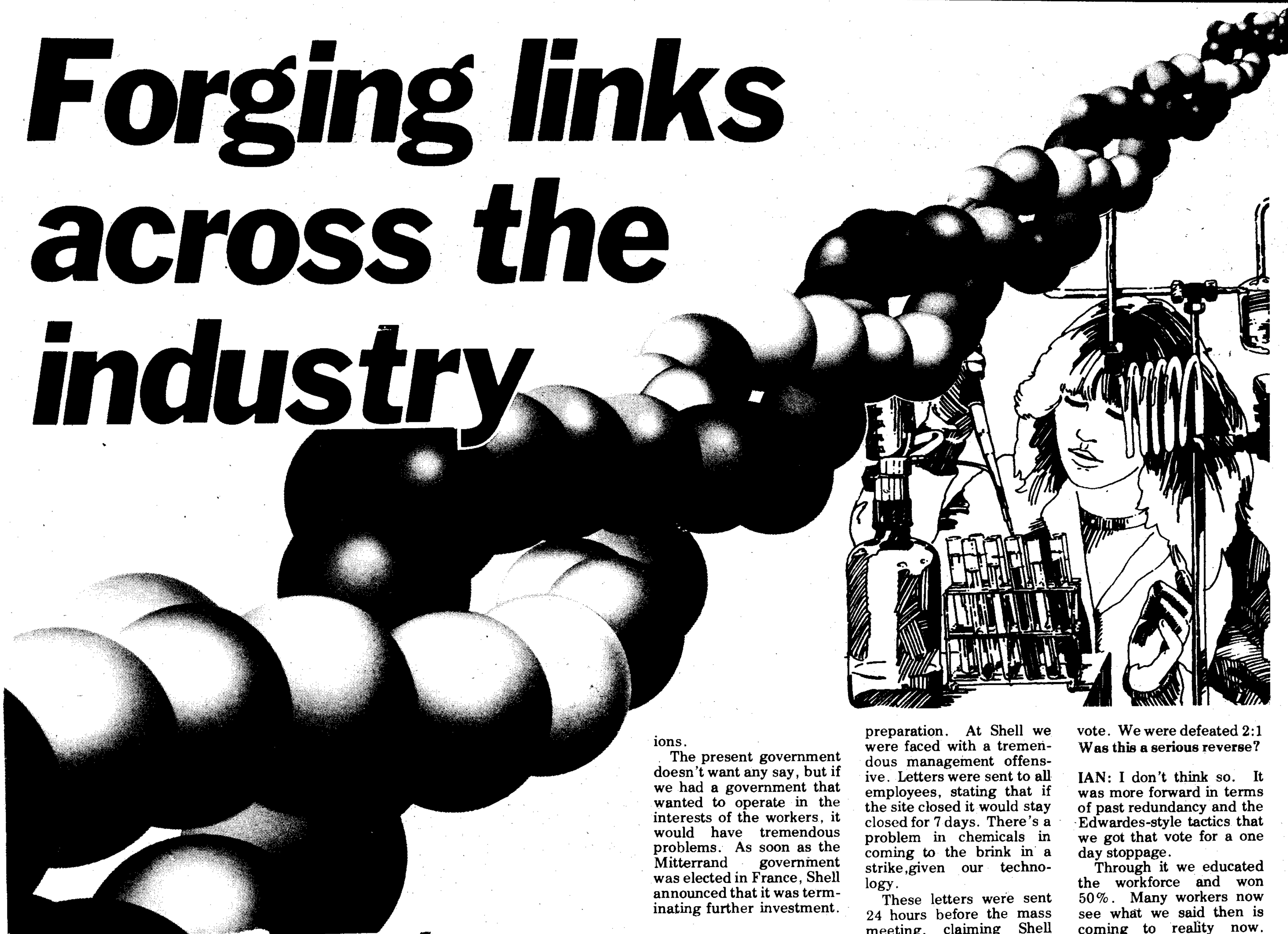


A regular news and discussion bulletin for all workers in the industry. Out at the end of September. Copies or information from.

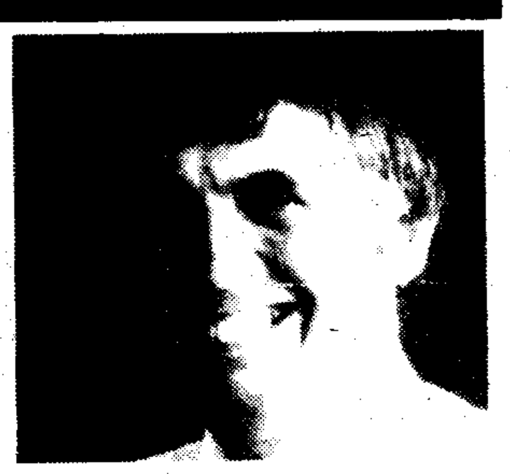
Ian Brown, Joint Union Offices, Shell Chemicals, Carrington, Urmston, Manchester.

Socialist Organiser INDUSTRIAL SPECIAL

Forging links across the industry



Noel Hibbert and John McIlroy spoke to Ian Brown (Chair, JSSC Shell Carrington) and Ivan Drayton (ASTMS National Chemicals co-ordinator) about the National Oil and Petrochemicals Delegate Conference which is being held in Manchester on 14th September.



What's the background to this conference?

IAN: In a word, 'redundancies'. Over the last decade more than 10 site plants have been closed and our labour force halved.

The problem is the same across the industry, particularly in the refining sector and chemicals.

Our own site at Carrington is a good example.
1974: Redundancy.
1975: Plant closure.
1979: Plant closure.
1981: Plant closure.

It's time to call a halt. At Carrington, Shell are now asking for 700 redundancies. If that goes through, it severely weakens our organisation. It sets us up for total closure.

The present economic recession has led the multinationals, who always had close links to move towards even further integration. The unions, on the other hand, both across the industry and at site level, have often worked insufficiently closely together. That's why we need an industry-wide combine.

Why has there been so little fight back against job losses in chemicals?

IAN: It's been an extremely profitable industry. The membership has been well cushioned against adversity. With such a capital-intensive set-up, it a profiteer's paradise. We've all been a little too sectional.

We've had a very parochial tradition. We haven't had to build up endurance like other workers. It's only in the last 3 years at Carrington that we've had an effective JSSC between Craft unions, TGWU and ASTMS and we had to fight that one through.

IVAN: It's a good example of the temptations of voluntary redundancy. A few years ago a worker could work away with £25,000 plus pension if he was long service and in his fifties, if management got rid of 1,000 jobs through voluntary redundancy.

Two years ago 75% of those volunteers were over 50 and a high proportion of those over 55. We are now left with a situation where 84% of our workforce is under 50. 65% of those are in lower paid jobs, with less than 14 years service.

They have big mortgages growing families and are not entitled to early pensions. They know that recent legislation means that their redundancy payments will cause them problems with the dole.

I think more and more people are beginning to realise that the company will have to declare compulsory redundancies because the supply of volunteers has dried up.

IAN: We have been trying to drive these points home. We've had meetings with everybody — the North-West MPs; Alex Edie, the Labour Front Bench spokesperson on Energy; Tony Benn; and Baker the Minister of State. We've had outfits like CAITS producing information documents for us.

But what about in the plant itself? Isn't that the crucial cockpit?

IVAN: Absolutely. We've been hammering home the basic arguments on the need to safeguard jobs and mass meetings have warned that industrial action will be used to oppose redundancies.

But we do feel that the whole nature and operation of the multinationals' role in Britain should be brought into the public eye. We work for Shell but have no control over its decisions.

The present government doesn't want any say, but if we had a government that wanted to operate in the interests of the workers, it would have tremendous problems. As soon as the Mitterrand government was elected in France, Shell announced that it was terminating further investment.

What would you like to see a future Labour Government do in relation to oil and petrochemicals?

IAN: It looks like very far into the future! The 1982 programme leaves a lot to be desired.

Our industry is a natural for planning and we need to argue the need for state planning with the workforce. But old scale nationalisation won't make much difference.

IVAN: Ian is going to the Forum of Combine Committees tomorrow. We think that any programme of future government planning has to involve the workforce.

Programme 82? I haven't been consulted. Labour Party Committees should be talking to combine committees. We know what goes on in the industry, how it operates.

IAN: What Ivan says is important, but resistance now is the vital dimension if there is to be any industry left in Britain.

Alright, can we come back to the September Conference? How was it initiated?

IAN: We have to go back to last year when the National officers of ASTMS, TGWU, and the Craft unions convened a one-day conference in London on October 15th to discuss the growing job destruction.

It was reasonably well attended. There were about 130 delegates. It was a useful opportunity to build rank and file cross-plant links.

The conference agreed that a Day of Action should be called for November 6th. In retrospect, this was called with insufficient preparation. At Shell we were faced with a tremendous management offensive. Letters were sent to all employees, stating that if the site closed it would stay closed for 7 days. There's a problem in chemicals in coming to the brink in a strike,given our technology.

These letters were sent 24 hours before the mass meeting, claiming Shell would lose £10 million at our site.

The Management had 32 buses ferrying people to vote. We were defeated 2:1

Was this a serious reverse?

IAN: I don't think so. It was more forward in terms of past redundancy and the Edwardes-style tactics that we got that vote for a one day stoppage.

Through it we educated the workforce and won 50%. Many workers now see what we said then is coming to reality now. Right then, I felt destroyed but we have managed to pick up the pieces.

On May 26th in Manchester we held a Shell National Joint Union Delegates Committee Meeting in Manchester. We passed a 12 point programme.

We felt the need for a more co-ordinated strategy on both wages and job loss. We decided that our national officials had taken the lack of success of the Day of Action as a sign that there was nothing that could be done.

They hadn't, for example formed a Joint Action Committee of lay delegates and full-time officials as agreed on 15th October.

We decided a lead must be taken from below and decided to convene a conference of delegates from all sections of our industry in September.

Who will be attending?

IAN: We have invited delegates from BP, Esso, Texaco, ICI, Mobil, as well as offshore installation personnel and representatives from terminals and distribution.

What do you hope will come out of this meeting?

IAN: First of all, we are hoping for support for any plant which takes action against redundancies. Secondly, we are trying to get regular meetings and continuous links established. Thirdly, we are hoping to discuss wider issues like Tebbit at the Shell meeting on August 6.

We adopted our own 8 points which went beyond the TUC by arguing for solidarity with those like Sean Geraghty victimised under existing legislation, no payment of damages, and no appearances in court.

Overall the aim of the conference is to start building a conception of trade unionism stretching across the whole oil and petrochemical industry. Look at the power the offshore people have, allied to our own.

What we need is a massive recruitment drive and a drive to establish trade union consciousness. We must examine new tactics to build a powerful oil workers' union that can stand in bargaining power next to the miners, but we will get nowhere at all if we don't fight redundancies now.