

MOTIVA PROJECT WINDS DOWN; LAYOFFS BEGIN



Construction has always been the kind of work that comes and goes. People who work in this field know that you have a job as long as there is a project to be completed. When the project is done, you are back out in search of a new project. It is a system that relies on constant expansion (or at least constant renovation) in order to be sustainable. The logic follows then that when no one has the money to build there are not jobs to be had. That is the reason that the construction trades are often among the hardest hit when the economy takes a turn for the worse. It would not be surprising to find that those people who have managed to hold onto work in the field felt like they had gone 10 rounds with Mike Tyson just trying to stay on an even keel. Well, they had better saddle up for round 11, because more layoffs are coming to the construction industry. This time they are coming from Motiva Enterprises. The company is winding down a crude expansion project, which reached its peak in June, and now the company needs to be rid of the extra staff, since they have no work for them. How many jobs will the completion of this project cost the economy? Well, in the short term only about 500. Though it is important to draw your attention to the fact that Motiva itself is not the one issuing the pink slips. It is the contracting firms that the company has hired for the project that are actually letting go of the staff. These are the people who completed the major sections of the expansion, but are no longer needed as things wind down. The project has been, one the whole, employing about 13,500, who will be out of work entirely after the project is completed. That information comes to us from Tom Purves, a Motiva vice president and former Port Arthur refinery manager, who spoke to a local reporter this week. He also said the following, "It's just in the last six weeks that it started to drop off." The project, which is estimated to have cost a total of about \$7 billion, was begun in December of 2007, and later revised in both 2008 and 2009 when the company employed multiple major contractors to build specific parts of the expansion. The expansion is expected to bring Motiva's daily crude refining capacity up to 600,000 barrels per day, which is a significant volume increase when compared to the pre-expansion rate of 275,000 barrels per day. The completion of this project will make the Motiva refinery at Port Arthur the largest in the United States. The expected completion date for the project is the end of the first quarter of next year. This means that by the end of March of next year, roughly four months away from now, the contractors will not need to have any employees left for Motiva's project at all, and the remaining part of the 13,500 jobs that this project created will be gone, leaving workers in search of a new project that will pay their bills.

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