# Scotland: Diageo unions end campaign against plant closures

**Steve James**
**23 December 2009**

The Unite and GMB trades unions have closed down their campaign against the closure of drinks giant Diageo's Johnnie Walker's bottling plant in Kilmarnock and Port Dundas distillery and cooperage in Glasgow.

Some five months after 20,000 working people marched through Kilmarnock in opposition to the proposed closure of the town's last surviving large industrial employer, both unions have accepted that the plants will close at the cost of 900 jobs. Further jobs are imperilled at the company's Shieldhall plant in Glasgow, although it will stay open.

Unite, the leading trade union at Diageo, claimed it had won a "far better deal." A statement concluded that "the issue has been settled and it has been settled to the satisfaction of our members. The campaign will be stood down."

The union's claim that it has secured a "far better deal" is a lie. Not a single job in Kilmarnock or Glasgow has been saved. The only concession from Diageo is an increase in redundancy payments. Workers will get £9,000 instead of £5,000. Some long-standing employees with over 25 years experience will get between £50,000 and £73,000. But many of those over-50s, who have spent most of their lives in the industry, will likely never find work again.

The July 25 march was unprecedented in Kilmarnock, whose entire population is only 44,000, although many workers at the plant come from around North and East Ayrshire. It expressed the alarm felt in the working class over the impact of hundreds of job losses across a region that has seen most of its manufacturing base destroyed over the last decades.

The local community set itself against the policy of the Diageo board, the numerically tiny but vastly wealthy controllers of the world's largest drinks company, which last year made profits from its worldwide operations of £2.02 billion. The march should have been the starting point for a broad social and political mobilisation. Instead, no industrial action was called at any of the threatened plants and no further mass protests were held. No effort was made to unify Diageo workers in Kilmarnock with those facing redundancy in Glasgow, let alone across the company, or with the many other sections of working people facing the same threat to their wages and jobs.

A series of deceptions and devices were utilised by the unions and their apologists to wear down Diageo workers and impose the company's demands. Central to this has been the official all-party "Keep Johnnie Walker in Kilmarnock" campaign backed by all the trade unions, Labour, the Scottish National Party (SNP), the Tories, the local authorities and media and the Scottish government.

Effectively writing off Port Dundas workers from the start, the campaign devoted all its efforts to presenting the Diageo board with an alternative business plan. This would, it was hoped, offer Diageo a means to maximise its profits while retaining a significant number of jobs in Kilmarnock.

Within the campaign, there was a division of labour. While the SNP government paid for a business consultancy to develop an alternate plan, the trade unions ensured that no industrial action took place at the threatened plants. Both the SNP and the unions were concerned throughout to retain the reputation of Scotland as an investment location.

Workers in Kilmarnock who raised the possibility of strike action were told that they were not in dispute with the company. Production at the Kilmarnock plant was instead maximised over the summer.

Leading union officials such as Unite's Len

© World Socialist Web Site

McCluskey claimed to be leading a determined struggle, even an international one. McCluskey is the United Left's favoured candidate to replace current joint Unite chiefs Tony Woodley and Derek Simpson.

McCluskey told the July demo, "We'll be organising meetings with the UK Diageo plants, plants in Ireland, America and the rest of Europe. If Diageo don't listen to us, then they'll get the fight of their life." This was pure bluster. McCluskey's international campaign extended as far as one letter to the head of the Teamsters union in the United States.

When the business plan, by consultants BDO Stoy Hayward, was released in early September, it baldly stated that it agreed with the logic behind Diageo's rationalisation. The report rejected out of hand the union claim that Johnnie Walker's Kilmarnock "heritage" and "workforce loyalty" could offset the benefit of rationalisation based on a new bottling plant in Leven, Fife. The report warned that there was no basis on which Port Dundas could be retained, while a number of expensive options for smaller or replacement plants in Kilmarnock were suggested.

Diageo welcomed the report and promptly rejected its findings, thereby depriving the official campaign of its entire perspective. Shortly after this the official campaign was wound up. The final statement on the "Keep Johnnie Walker in Kilmarnock" web site notes cynically, "We are proud of what this campaign has achieved. The facts speak for themselves."

They do indeed. What use is a campaign that has resulted in such abject failure?

With the alternative business plan dismissed and discredited, Diageo and the trade unions set about agreeing terms for imposing 900 redundancies.

A "consultative ballot" was held on industrial action in pursuit of more favourable redundancy terms. This was backed up with double talk. Unite's national officer for the drinks sector, Jennie Formby, told the BBC that Diageo workers "will show the strength of their anger when they vote on industrial action, but we urge the company to avoid needless conflict by reopening dialogue with the workers and their unions on a fairer way forward on restructuring."

Formby's statement makes clear that Unite's primary interest was to maintain relations with Diageo, while imposing job losses. The "consultative ballot" was simply a device to channel frustration and anger amongst workers without the union being committed to any action. The ballot resulted in huge majorities, between 75 percent and 90 percent, for industrial action in Kilmarnock and Glasgow, showing that workers were ready to take up a genuine fight.

In response, Diageo and Unite took the vote as a cue to arrange better redundancy terms, which were duly recommended by the union and—without an alternative on offer—accepted by the workforce.

This will not be the end of the matter. The threatened plants are not yet closed. In the period between now and 2011, the economic situation facing soon to be redundant workers is unlikely to improve.

In addition to the direct job losses many small businesses in Kilmarnock, which are largely dependent on revenue from Walker's workers £17 million annual wage packets, will collapse. Workers in Kilmarnock and Glasgow will join the dole queues sometime between now and 2011, under conditions where finding comparable secure employment will be increasingly difficult.

To turn the situation around, however, conclusions need to be drawn: In seeking to defend their livelihoods, workers can place no confidence in the trade unions or the official parties and must conduct an independent political and industrial offensive.

To contact the WSWS and the Socialist Equality Party visit:

**wsws.org/contact**

© World Socialist Web Site