Wigan, UK: Unite union secures vote for wage deal at Heinz

Danny Richardson 26 January 2011

Workers at the Heinz Kitt Green plant in Wigan, England, voted to accept the latest pay offer put forward by the company. The deal was endorsed by the trade union, Unite, which represent 1,200 of the 1,500 workers at Heinz's biggest food producing plant. Heinz and Unite were desperate to force through this deal, which contains only minor changes to one rejected in September by 91 percent of the workforce.

The two-year 3.9 percent pay rise per year deal represents a wage cut. The Retail Price Index measure of inflation now stands at 4.9 percent. With the recent rise in VAT, combined with the heavy increases to fuel and food bills that will be factored into next month's figures, workers and their families will face a further decline in their living standards. Any changes to the bonus scheme or to the contentious present agreement on days lost through illness or bereavement has not been disclosed.

Confusion and anger was evident outside the factory gates when a team from the *World Socialist Web Site* were distributing leaflets warning of a sell-out. Many were resigned to such a sell-out after Unite agreed to the company's request to take negotiations to Acas, the arbitration service. They were very critical of how Unite conducted the dispute.

Unite has given a green light to the Heinz global food processing empire that will herald further attacks on the living standards, conditions and jobs of all Heinz workers in the UK and Ireland. The workers fear that job losses are imminent, given threats made in a letter from Heinz management that was posted to employees' home addresses.

After warning, "Other workers in the food industry are facing job cuts and plant closures," the letter went on to say, "We cannot afford to be complacent and there are big commodity increases immediately facing us in UK including tin plate and tomatoes and these need to be addressed because we have to remain competitive. The UK has lost a great many jobs over the last 15 years due to being uncompetitive. Kitt Green is the highest cost factory across Heinz Europe for labour."

The press statement from Heinz disclosed a part of the agreement concerned: "The trade union team and factory management are agreed on working closely together to enhance ways of working at the site."

Workers will know from past experience what this means to them on the shop floor.

Jennie Formby, national officer of Unite, said after the ballot result, "It is important that Heinz has listened to its workforce and offered a fairer pay deal, one that acknowledges the contribution the workforce has made to the company's success."

This should be contrasted with her more honest statement early in December, which said that a "loyal workforce are told to take a below-inflation pay deal for two years—a pay cut in real terms."

Local Unite officials first accepted the company's offer of 3.3 percent. But their plans were set back when at an angry mass meeting a ballot was demanded. The result was a majority of 91 percent to throw out the offer. Surprised by this reaction, but determined to settle on terms favourable to Heinz, Unite called for a series of 24-hour strikes, a ban on overtime and a work-to-rule to begin and continue through Christmas. Four such strikes took place since September. Another was aborted when the union reached an agreement with the company to take an earlier slightly modified offer back to the workforce. But a second ballot threw this out as well—by a reduced majority of 61 percent.

At no time during the dispute did Unite seek support from any of the other Heinz factories within the group, either in the UK, Europe or globally. The large distribution plant that is annexed to the production factory at Kitt Green was never picketed, allowing Heinz to trade normally through stock.

With the "Maximum losses to Heinz, minimum losses for workers" slogan used as an excuse for calling just four 24-hour strikes since September, shop stewards at the factory have created illusions that Unite were conducting a struggle against Heinz when the opposite was the case—as the acceptance of this rotten deal proves.

Unite has ensured that Kitt Green was divided off from the rest of the company workforce. In addition the Kitt Green factory is divided between full-time, agency and temporary production operatives—all on different wage scales and conditions. One agency worker said he had worked at the plant for nine years, but had never been given the chance of a full-time job in spite of applying numerous times and being a member of Unite. His brother is in the same situation, but has worked there for longer still.

Naturally, the fake lefts of the Socialist Workers Party and the Socialist Party dutifully commended the settlement at Kitt Green. On its web site, the Socialist Party posted, "Four solid strikes by 1000+ workers at the Heinz plant in Wigan have forced a significantly improved offer from the company."

Particulary cynical was its interview with Ian Wright, Kitt Green acting convenor for Unite. He applauded Acas, saying, "They did a brilliant job."

"I think the offer's adequate," he continued. "It's not brilliant, it's not inflation, but it's probably what will float our members' boats."



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