

Unilever's UK plants strike against pension attack

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The Anglo-Dutch company Unilever's 12 factories across Britain were shut down by a 24-hour walkout by over 2,000 of its workforce earlier this month. Areas affected included the main sites at Purfleet, Port Sunlight, Warrington, Leeds, Crumlin, Gloucester, Manchester, Burton-on-Trent and Chester.

In November, members of the Unite trade union—the largest at Unilever—voted 85 percent in favour of strike action. Two other unions at the firm, the GMB and USDAW, received similar results for strike action.

Unilever is a FTSE 100 member. It is the world's biggest ice cream manufacturer, and has some of the most internationally famous brands in consumer goods including Lux, Pears and Vaseline. Its food brands are represented by Bovril, Marmite and Flora, with its full list of products running into several hundred.

The dispute began in April when the company declared it was withdrawing the Final Salary Pension (FSP) scheme for all its long-term employees. It is to be replaced with the inferior Career Average Revalued Earnings (CARE) scheme introduced in agreement with the unions for new employees in 2008.

Sheena Mitchell, senior Unite steward who was part of the 2008 negotiating team, disclosed in a media interview, "We were promised in 2008 that Unilever would keep our final salary pension scheme with increased contributions. There is no need to do this. It's just pure corporate greed."

Back in 2008, Unite hailed the agreement as a major breakthrough that would safeguard the FSP and congratulated its team on its negotiating skills.

A company press statement disclosing the pension changes insists, "We believe that the provision of final salary pensions is a broken model which is no longer appropriate for Unilever. It is our responsibility to protect the long-term sustainability and competitiveness

of our UK business, and to do so is in the best interests of our people." The statement omits to say who "our people" are that will benefit from the attack on pensions, but the answer is supplied by Unilever's latest financial results, which showed a profit of £5.2 billion—up 18 percent from the previous year.

A significant component of this increase has been the below inflation wage deals accepted by the unions for the last three years running, in addition to the 2008 pension agreement. The strike, however, implies no change in the union's strategy of collaborating with management to implement cuts.

A delegation from the Unilever European Works Council (UEWC) was due at the Port Sunlight picket to hand over to the company a "signed declaration of solidarity" and "to demand it stops its plans to scrap the UK pension scheme."

These words are as near to action as the UEWC gets to any real support for the workers at Unilever UK. Indeed, it is not even clear if the delegation turned up as there is no coverage of it doing so on Unite's web site.

None of the unions have set dates for further action. Instead they continue to plead with the company to allow them to return to negotiations. Jennie Formby, Unite's national officer, argued, "This is the first time Unilever has suffered a strike in the UK and we would urge it to listen to the facts as we are willing to talk."

In reference to Unilever's decision to cancel Christmas parties and not hand out gift vouchers and hampers to its employees, Formby complained, "Rather than sitting down with the unions and trying to settle this dispute Unilever seem to be acting like a modern-day Scrooge. The company has a proud history of decency. This spiteful behaviour is very bad for their reputation."

Formby is referencing the firm's founder, William

Lever, who became Viscount Leverhulme. A Liberal Member of Parliament, he was one of the first British industrial barons to operate a workers pension scheme and, in 1906, used his maiden speech in parliament to argue for a nationwide scheme. He is also known for building a small village next to his Port Sunlight factory on Merseyside that housed his workforce.

The conditions were not as benign as often portrayed as the accommodation was similar to the tied cottages of farm labourers and, if workers disagreed with the company in any way, they could be sacked and thrown out of their home.

Like governments and companies internationally, Unilever hopes to utilise the economic recession and the treachery of the trade unions to overturn long-standing rights. It will have been encouraged by the Conservative-Liberal Democrat coalition's attack on the pension rights of public sector workers, which is being used as a stalking horse to dismantle workers' rights across the board.

A WSWS reporting team interviewed some pickets outside the closed PG Tips plant in Trafford Park, Manchester. Most workers at Unilever are long-term employees. For some it is their only job since leaving school and they take pride in their work.

Bill Guest expressed disappointment at Unilever's attitude to his pension rights. "This is a dispute with Unilever UK. We were told two to three years back that our pension rights were assured, that it was in a very healthy state and would remain that way. Now three years down the line they have reneged on that agreement. We now find they are removing the final salary scheme for nothing more than profiteering."

Stuart Robertson said, "We have been told that the pension funds are absolutely OK. Now, with the changes to every other sector they want to jump on the bandwagon and make more money for themselves. Paul Polman (Unilever CEO) has just got £20 million worth of shares in his pension. I am just asking for £11,000—that is all. I am asking for it not to be reduced."

Paul described how important his pension is for his family. "I have a disabled son who I have to leave the pension to", he explained. "He won't ever work in his life. I've got to secure his future, not just mine."

Stuart explained, "Most of us have been employed here for 20-plus years. We love the place. This strike is

the last thing we want to do but we just can't believe what they are doing. We are devastated. A lot of us have stayed here even though the wages are not brilliant, but we were being looked after and so we gave back to the company."



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