Trade unions facilitate meat processing plant closures in Scotland

Steve James 13 August 2012

Fully one month after the news that Vion Foods intends to close its Broxburn meat processing plant, not a single protest meeting has been called and no demonstrations have been organised.

No expressions of dissent have been allowed to emerge at all over the fate of the 30-year-old plant, despite the threat to 1,700 workers employed by Vion and at least another 1,700 in support industries and local small businesses. Some estimates suggest that up to £130 million would be lost to the local economy should the plant, one of the largest private sector employers in West Lothian, shut its doors.

Older employees, many of whom have been at the plant for decades, are unlikely to find other jobs in a region where 7,200 workers are reported to be chasing 900 vacancies. Youth unemployment already stands at 10 percent. Closure will fall particularly heavily on Polish workers at the plant, who make up at least half of the current workforce. Polish and other east European workers are only eligible for such limited welfare benefits that remain in the UK after one year of full-time employment. The average wage at the plant is around £14,000, giving workers no chance of building up savings.

The more than 500,000 Polish-born workers in Britain, most of whom moved following Poland's accession to the European Union in 2004, form one of the most exploited sections of the working class. They generally work in low-paid, arduous manufacturing industries, while paying high private sector rents for overcrowded accommodation.

Polish and Scottish workers alike confront a trade union, the USDAW (Union of Shop, Distributive and Allied Workers), that has made clear that its sole interest is in keeping the plant open on the basis of servicing Vion's demands for greater profitability. Following the closure announcement, the USDAW immediately joined a "task force" established by the Scottish government, Vion, investment agencies and the local authority to extract concessions from the workforce.

Speaking before the second task force meeting July 30, Lawrence Wason, the USDAW's Scottish divisional officer, postured as the mildest critic of the company. "Probing questions" had to be asked, he insisted, about the "mixed messages" coming from the company.

There is nothing mysterious about Vion's intentions. The company, which has 46 sites in the UK, along with 63 in Germany and 90 in the Netherlands, is pushing ahead with a "Balancing the Future" restructuring programme aimed at defending profit margins in conditions of European-wide slump.

Whether this takes the form of the outright closure or sale of Broxburn, or the plant staying open on the basis of further concessions, cuts and reorganisation remains to be seen. Either way, the company wants to recoup the £39.6 million lost in the British market last year at the expense of its workforce.

Similar questions are raised by the threat of Freshlink to close a plant employing around 145 workers in the Shettleston area of Glasgow. Freshlink, which makes frozen sausages for sale to the major supermarkets, is owned by the ABP food group.

ABP is one of Europe's private largest food processing operations, with operations in the UK, Ireland and Poland. The company sells beef, convenience foods and pet foods, and renders the leftovers into protein and renewable

energy. The company is the personal fiefdom of Larry Goodman, one of Ireland's richest men. Goodman was personally worth some €745 million in 2011.

Freshlink's Glasgow plant is apparently outdated and requires some millions of pounds, small change to Mr Goodman, to bring it into line with European Union refrigeration regulations. The company has hinted it can either close the Glasgow plant and move production elsewhere in the UK, or, given the right offer, relocate within Glasgow. Shettleston is one of the poorest areas in Britain. Average male life expectancy is only 63 years.

As in Broxburn, a "task force" involving the Scottish government, local authorities, Freshlink and the trade unions has been put together to make the case for retaining production in Glasgow. As in Broxburn, the USDAW is seeking to ensure that whatever Freshlink, or an alternate owner, wants from its workers can be delivered.

Both task force efforts have been endorsed by the Labour Party and the Scottish National Party (SNP). Labour controls West Lothian and Glasgow City councils, while the SNP controls the Scottish government. Both parties are posturing as allies of the factory workers while advancing identical strategies to ensure Freshlink's and Vion's interests are protected.

Underlying both closure threats, however, is the cutthroat competition in the meat production and distribution network in the UK and Europe.

A report commissioned by Dutch-owned Vion, "Bringing Home the Bacon—from trader mentalities to industrial policy" and produced by Manchester University, gives some idea of what is involved. It complains that, in competitive struggle against European suppliers, the British pig meat industry is losing out. Pig production has fallen 50 percent over the last period as small scale and inefficient British-based plants are undercut by larger, better-organised operations in Denmark and the Netherlands.

The problem, the report warns, is compounded by the major supermarkets' "trader mentality" in which the Tesco, Sainsbury's and Asda chains are devoted to maintaining their value to the City of London. This forces the supermarkets to maximise their profits at the expense

of other parts of the pig meat supply chain, which are therefore unable to invest in the required new technology to remain competitive.

These are all unavoidable characteristics of capitalist-based food production for profit, but are used by the report to argue for a nationally regulated protectionist capitalism with tax breaks for British-based operators such as Vion. Failing that, the authors call for the supermarkets themselves to be in control of the entire operation—from slaughterhouse to supermarket shelf. In this way, the domestic industry could compete against Denmark and the Netherlands.

No doubt "Bringing Home the Bacon" will find avid readers in the trade union bureaucracy and the ex-left parties, but it offers nothing for Vion or Freshlink workers, or the many millions of workers across Europe employed in this essential, but brutally competitive industry.

Freshlink and Vion workers seeking a means to defend themselves can place no trust in the trade unions or the official political parties, all of whom speak for factions of the regional elite. Posed by the present crisis is the need for a political struggle by the working class for social control and rational organisation of the entire European industry under workers' governments.

Action committees to defend workers, their communities and families should be set up at both plants immediately. These struggles should be unified and a determined effort to turn out to the broadest layer of the working class in Britain, Ireland, Poland and across Europe taken up.



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