

# Vion's Broxburn plant in Scotland to close

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Management of Vion Foods, owners of the Halls meat processing plant in Broxburn, Scotland, have finally confirmed that they intend to close the Broxburn factory by February 2013.

A total of 1,700 contracted and agency workers and the thousands of families and small businesses who depend on them face a disastrous collapse in their living standards. According to West Lothian Council, around one quarter of the working population of the small towns of Broxburn and Uphall work at the plant.

The only alternative to outright closure previously made public was a possible offer from the Graf Mortgage Corporation, providers since 2009 of short-term bridging loans based on property. Graf runs an investment fund from the Isle of Man tax haven. No information was made available about Graf's proposal, but the little-known finance company was no doubt eyeing a speculative property deal based on the resale value of the Broxburn site. Two prospective bids were reported to exist. All have been rejected by Vion.

Vion has not moved an inch from its original decision, first announced in July, to close the plant. The company insists that the factory is outdated and uncompetitive.

The closure is part of Vion's European-wide "Balancing the Future" restructuring programme, to defend its profit margins in conditions of economic slump and changing food-buying habits. Currently, the Broxburn plant processes 8,000 pig carcasses a week into sausages, black pudding, bacon, pies and haggis. The plant is competing against European operations with a capacity of 60,000 carcasses weekly.

In a letter distributed to the workforce October 5, Vion's UK chair, Peter Barr, complained of the "outdated and inefficient layout of the site, overcapacity in the marketplace and increasing costs".

Barr dismissed the efforts of a task force, set up by

the Scottish government and the West Lothian Council, with all-party support, as offering a "level of funding...significantly below what was required to resolve the site's major and inherent problems".

Barr warned that unless much more money was handed over, Vion intended to start a "phased closure of the site" with some areas of production stopping immediately. Barr noted discussions with union representatives on redundancy terms.

Vion's announcement exposes the task force, in which the USDAW shop workers' trade union is also a participant, as a charade aimed primarily at deceiving the Broxburn workforce, giving the company time to move ahead with its closure programme.

At the time of the initial closure announcement, Scottish first minister and Scottish National Party (SNP) leader Alex Salmond feigned solidarity with the Broxburn workers. The task force, Salmond promised, would "travel anywhere and meet anyone" and "explore all the options".

All the task force came up with was a £2 million commercial proposal to Vion. The Scottish government offered to buy the plant and lease it back to Vion. The company rejected this, pointing out that modernisation of the plant would still cost more than £100 million and take two years. Scottish finance secretary John Swinney, who can count as well as most people, nevertheless called the proposal "substantial" and an offer to "partner the revival of the plant".

The proposal, little more than a hoax, nevertheless generated a cloud of manufactured bluster and dismay from the task force participants when it was rejected.

But Vion is acting in a predictable manner, entirely consistent with a company seeking to maximise profits for its major shareholders and defend its market share at the expense of its workforce. The same political parties, trade unions and official media, who now profess to be so disappointed and shocked by the

Broxburn closure, devote their collective resources to subordinating workers to the needs of capitalism.

The Broxburn closure has been described as potentially more devastating than the Ravenscraig steel plant closure near Motherwell in 1992, which shut with the loss of 700 jobs, following a failed nationalist campaign to find another buyer. A more recent comparison is with the closure of Diageo's Johnnie Walker's bottling plant in Kilmarnock, in 2009. The Walker's closure saw the biggest demonstration ever seen in Kilmarnock, with 20,000 marching through a town of 44,000.

Addressing the 2009 demonstration, Salmond insisted the closure was not "socially acceptable", while Len McCluskey of the Unite union promised an international campaign and that Diageo would get "the fight of their life". No campaign emerged, of course, and within six months, the unions, Labour and the SNP ended their token opposition to the closure. Unite and an identical task force to the one assembled for Broxburn successfully demobilised the mass opposition and encouraged the 900 Walker's workers to accept redundancy terms.

In Broxburn, the unions have not even risked calling a demonstration. At least half the workforce is from eastern Europe, mostly Poland, but also from Hungary and Romania. Much of manufacturing industry in Britain depends on cheap east European labour, drawn from the impoverished former Stalinist countries. Any struggle against the closure of Broxburn would, therefore, attract powerful support and sympathy, not only from the local community, but across Britain and Europe, from broad sections of working people seeking a way out of the social disaster being imposed by the European Union's austerity policies.

This is what the unions and the main political parties are desperate to prevent. Broxburn workers, their families, friends and supporters of all nationalities are posed with taking an independent stand in defence of their jobs and living standards and turning to other sections of working people for support.

An action committee must be formed immediately to prevent the plant being further run down. When *World Socialist Web Site* reporters visited the Broxburn plant, we were informed that items of machinery were already being labelled for transport to Vion's other production locations.

*The author recommends:*

Scotland: Diageo unions end campaign against plant closures

[23 December 2009]



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