British unions deepen collaboration with glassmaker Pilkington over job losses

Danny Richardson
12 November 2013

Glassmakers Pilkington have announced the closure of the Float Glass Line at Cowley Hill in St Helens, England, with the loss of 140 jobs. This is the latest in a series of job cuts at the firm's St Helens sites in the last three years. The St Helens-based company was taken over by Nippon Sheet Glass (NSG) in 2006. Glass production at Cowley Hill began in 1871, while Pilkington's itself was founded in St Helens in 1820.

In a statement issued on November 7, NSG stated: "The current economic downturn has impacted severely on float glass volumes, resulting in overcapacity, reduced prices and lack of profitability in the float product segment for the company in the UK.

"As a result, a decision has been taken to adjust production capacity to match profitable customer demand. The company will be opening a voluntary redundancy window to mitigate the impact of compulsory redundancies. Discussions have commenced with employees and their representatives."

In response to the job cuts, the main trade unions at Pilkington Glass, GMB and Unite, issued what are now their standard replies. GMB regional officer Charlie Leonard feigned ignorance, declaring the "news had come as a shock". GMB's role is now only to manage the necessary job losses required by the company with Leonard stating, "It is a devastating blow to the economy of St Helens and to the workers and families of the 140 who will lose their jobs. GMB will meet with the company to fully understand the position and to assess what can be done to mitigate the extent of job losses."

Unite's response was similar, with the union expressing "concern" whilst pledging that the union "will be doing everything to mitigate the impact on the workforce."

Doing "everything" means holding further talks with the company to work out how they can facilitate the sackings without the anger from the workforce getting out of hand.

Collaboration between the unions and employer to this end was endorsed by Labour leader Ed Miliband, who had visited the factory just prior to the job losses being announced.

Miliband commented, "It was only a few weeks ago that I visited this factory and found a great example of a British manufacturer trying to survive in tough times. The employers and the unions must work together to do everything possible to limit the job losses and find new employment for those affected."

In an interview with the local *St Helens Star* newspaper, a Pilkington worker who spoke anonymously said, "Whenever we have had an announcement [on cuts] it has been before Christmas. We have never had a good Christmas for the last seven years. We haven't had a decent wage rise in a few years and they stopped all bonuses.

"People are angry because it was out of the blue. It couldn't have come at a worse time. Some in their 50s who have been there years will get redundancy but I'm younger so I won't get a lot and I have two young kids."

In February of this year, 150 jobs went at the Cowley Hill and Watson Works, also in St Helens. Factories at Aintree Liverpool and Basingstoke Hampshire were closed down completely this spring.

Reacting to those job cuts, a statement posted on GMB's web site on January 29 was headed "GMB pledges to resist job losses at Pilkington Glass".

However, it soon became clear there was to be no resistance to the job cuts by the unions. Instead, the GMB took the opportunity to disclose it had been in talks with NSG regarding a major shortfall of £178

© World Socialist Web Site

million in the company pension fund. This figure was later upgraded to £326 million in February of this year.

The statement made clear that the shortfall would see a reduction of between 20 and 40 percent to a worker's final pensionable pay. On this issue alone, the GMB proposed that a consultative ballot against the company's attack on the pension scheme was to be undertaken.

NSG responded by claiming if workers didn't accept the freezing of pensionable pay, there would be no annual pay rise and no promotional or re-grading pay rise. To date, there has been no news as to the result of a ballot, or even if one has taken place.

In 2012, Nippon Sheet Glass announced it was cutting 3,500 jobs worldwide due to a fall in sales to the construction and auto industries. In an attempt to ease the impact of the job cuts, it also announced that senior company managers would take pay cuts of between 20 and 50 percent to their earnings.

Around this time, news broke of a public funding grant of £5 million towards the new £36 million plant that would produce the next generation of Pilkington K Glass product at Cowley Hill. This funding was part of the coalition government's Regional Growth Fund (RGF) project. K Glass is an innovative coating to a pane of energy-efficient glass that reflects heat back into the room. It has been produced for 21 years, and like other Cowley Hill products such as Solar Glass relies on orders from the construction industry. NSG says the plant is not affected by the latest cuts.

The stated aim of the RGF scheme was to "increase employment". Deputy Prime Minister Nick Clegg, discussing the public funding, said, "We can't carry on in the North West hoping that we are going to get more handouts from Whitehall to create jobs that are here today, gone tomorrow. We need private sector jobs in factories like this, which last for years."

But all the RGF was to achieve were just 50 new jobs, a number now effectively wiped out by the ongoing cuts at St Helens alone. The 50 jobs were lost to the community even before the K Glass plant opened.

At the time, the company stated, "The group does not expect to experience a significant improvement in market conditions during the remainder of the financial year". The report concluded, "[I]mproved operating results are dependent on the restructuring programme".

An article published in *World Socialist* in August 2012 warned Pilkington workers that the unions would do nothing to defend jobs and conditions. It said, "The trade unions, as they did at St Helens in February [2012], will accept every job loss and wage cut. Their only response to the 150 losses at St Helens earlier this year was to 'try and minimise the number of losses'."

Within months, this statement was vindicated. NSG, with the cooperation of the unions, went on to attack workers' wages and conditions, and the shortfall in the pension scheme was ignored.

Pilkington workers cannot wage a fight back against job cuts and massive attacks on wages and conditions through the reactionary and moribund trade union apparatus.

The unions are using the latest job cuts in the steel and shipbuilding industries to develop an even closer partnership with British capital.

Unite is about to launch what it claims to be its strategy for manufacturing. Called "Made In Britain," it "calls for a new and workable manufacturing strategy to defend and create skilled jobs and bring about a long-term re-balancing of the economy in favour of manufacturing."

"Rebalancing the economy" is a euphemism for the union offering up its services and full cooperation in new and more rapacious attacks on workers' jobs and conditions.

To fight the attacks on their jobs and livelihoods at Pilkington, workers must build new organisations, democratically run and independent of the trade unions. Such rank-and-file committees must turn to workers at Pilkington in Britain and internationally for a joint offensive against the cuts, in order to defend social gains won through decades of struggle.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site