

US meatpacking giant Tyson announces closure of two plants

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Some 880 workers will lose their jobs as a result of the closure of two processing plants owned by Tyson Foods, the world's largest meat producer.

The company announced yesterday that its plant in Jefferson, Wisconsin, which employs approximately 400 workers, and its Chicago, Illinois facility, employing 480, will be closed during the second half of fiscal year 2016.

The plant in Chicago produces prepared foods for the hospitality industry, including airlines and hotels. The Jefferson plant produces pepperoni and ham for pizza toppings, sliced meats for deli, and foodservice applications.

Tyson Foods is a multinational corporation based in Springdale, Arkansas, and currently has 78 plants in the US, most of which are located in the South.

Currently the company has almost 100,000 employees in the US and is notorious for its low wages and dismal and dangerous working conditions. As the country's largest chicken producer, the company has incurred more than \$500,000 in fines for safety violations in the last six years.

The company's revenues were \$37.8 billion in 2014, with profits of \$856 million. CEO John Tyson netted \$8.8 million in total compensation last year.

The company's press release explained its reasons for closing the two facilities: "The planned closures are due to a combination of factors including changing product needs, the age of both facilities and prohibitive cost of renovations, as well as the distance of the Chicago plant from its raw material supply base."

Tyson's Jefferson plant was part of the IBP meatpacking company until 2001, when Tyson bought IBP. The plant was originally built in the nineteenth century and underwent many modifications and changes of ownership until being acquired by IBP in

1997.

Tyson's announcement came just two weeks after the announcement that the Oscar Mayer meatpacking plant in Madison, Wisconsin—some 30 miles west of Tyson's Jefferson plant—will be closing by 2017. Approximately 1,000 workers—700 production workers and 300 office staff—will lose their jobs as a result.

Oscar Mayer is owned by the Kraft Heinz Company, another US based multinational which was formed this summer by the merger of Kraft Foods Group, Inc. and the H.J. Heinz Company. The new company is the fifth-largest food and beverage company in the world.

The layoffs are a direct product of the corporate drive toward monopoly, the rationalization of production and the slashing of labor costs in pursuit of ever greater profits.

United Food and Commercial Workers (UFCW) Local 538 organizes workers at Tyson's Jefferson plant as well as the Oscar Mayer plant in Madison. Local President Doug Leikness told the *Jefferson Daily Union*: "We are losing another 370 jobs and more manufacturing leaving our state. We are obviously very disappointed in Tyson's decision to do this."

Leikness added, "We thought we were secure there. We thought we had the pepperoni business down pat for Tyson and we are very disappointed this is happening."

He noted that production workers make from \$10 to \$13.35 an hour, while maintenance workers are paid higher rates. Workers commute from throughout the state to work at the plant.

In 2003, soon after Tyson acquired the Jefferson plant, the company hired strikebreakers against its employees who rejected a major concessions contract, including a four-year wage freeze, a lower-tier wage scale for new hires, elimination of the profit-sharing

plan, cuts in vacation, sick leave and pensions, and higher premium costs for a reduced health care plan. A bitter, months-long strike ensued.

The UFCW, the union responsible for sabotaging the strike of Hormel meatpackers in 1986 by putting Local P-9 into trusteeship, told Jefferson workers to put their faith in an appeal to the National Labor Relations Board. The government board ruled for Tyson, saying that it was legitimate for Tyson to offer scabs \$10 an hour while only offering striking union workers \$9.



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