UK workers confront rising job losses in 2018

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The closing months of 2017 and the beginning of this year saw a wave of redundancies in the UK, totalling in the thousands, as major corporations and banks announced job losses. The layoffs are part of long-term cost cutting to downsize workforces and close factories and high street branches of supermarket and other retail chains.

Mass redundancies have also resulted from companies being driven into bankruptcy or near administration, as larger corporations strengthen their monopoly position under conditions of declining investment and markets.

• **General Electric** will cut 1,100 jobs from its UK power division, which produces wind turbines for energy generation. This represents a six percent reduction of its national workforce of 18,000, with the majority of job losses in Rugby and Stafford. This is part of a global restructuring program by the US company to shed 12,000 jobs.

• **Britvic**, the UK's second largest manufacturer of soft drinks, has announced the closure of its Norwich factory with the loss of around 240 jobs by the end of 2019. The Carrow Row Works is co-owned with Unilever, which is conducting a review of all options, including closure of the site, which has produced the world-famous Colman's Mustard brand from 1860. This will put 113 jobs at risk.

The company aims to transfer production of its Robinsons and Fruit Shoot brands to other sites in the UK. "Significant productivity and efficiency savings," executives said, would result from transferring production to its sites in Rugby, east London and Leeds.

• **Sainsbury's**, the UK's second largest supermarket, is cutting 2,000 jobs, including 1,400 payroll and HR staff and 600 support staff. The company, which employs 119,000 full-time workers nationally, has a three-year plan to cut costs by £500 million by March 2018 and has employed McKinsey consultancy to manage "head count reduction."

• **Tesco**, the largest UK supermarket had already announced 2,300 jobs cuts, which include one in four of its head office staff and 1,100 at its call centre in Cardiff, which is due for closure this year.

• **Asda** has plans to make 800 workers redundant or accept pay cuts. Already this year the supermarket chain, owned by the world's largest retailer, Wal-Mart, has made hundreds of redundancies at 18 stores described as underperforming.

• **Toys R Us UK** is to close 26 of its stores, around a quarter of the total, starting in the Spring 2018, threatening at least 800 jobs. Its US parent company filed for Chapter 11 bankruptcy last year. The UK subsidiary faced administration in December until a last-minute deal involving a bailout of its pension scheme by the state-backed Pension Protection Fund. This enabled it to win support from its creditors for the restructuring program.

• **Palmer & Harvey** (P&H), the grocery wholesaler, went into administration in November resulting in 2,500 redundancies. Attempts by the administrators to hive off sections of the company failed, with a further 400 jobs lost just two weeks before Christmas.

• **Babcock International Group** at Rosyth dockyards in Fife, Scotland has announced around 250 jobs to go as the contract to complete two Royal Navy aircraft carriers nears completion.

• **Royal Bank of Scotland** (RBS) and **Lloyds**, the UK's third and fourth largest banks, along with the country's second largest building society **Yorkshire Building Society**, have announced another round of branch closures. RBS plans to close 1 in 4 of its branches, totalling 259 with 680 job losses. This is in addition to the 200 redundancies and 100 branches slated for closure earlier in the year. Lloyds Banking Group and the Yorkshire Building Society are to close

49 and 13 branches, with the loss of 99 and 250 jobs respectively.

• Around 230 jobs are scheduled to go by the summer at the **Cleveland Potash** mine in Boulby in northeast England. Cleveland Potash is owned by the multinational company, ICL, one of the world's largest fertilizer companies. The job losses will go as the mine switches from mining dwindling supplies of Muriate of Potash to producing the polyhalite fertilizer, polysulphate. Currently there are around 700 jobs remaining at Boulby. 220 jobs were there lost in 2015 as potash production was cut back. The area already has high levels of unemployment. In 2015 steel production ended at nearby Redcar with the loss of over 2,000 jobs.

The official indifference to the livelihoods under threat was epitomised by Britvic. Local media sources reported that the company confirmed the closure of the factory with the workforce on the same day as the annual Christmas dinner. This followed a consultation process with the Unite and the GMB unions.

At no point have Unite, GMB, the retail workers union, USDAW, or any other, even mooted a fight in defence of a single job. At Britvic, Unite food and drink sector national officer Julia Long said, "It is bad news for the wider Norfolk economy, especially as we face challenging economic times in 2018," adding only, "Unite will work tirelessly with all key stakeholders to see what can be done, even at this eleventh hour."

At Babcock, Gary Cook, the Scotland chair of the Confederation of Shipbuilding and Engineering Unions, which incorporates the GMB and Unite unions, centred his plea for the redundancies to be carried out on a voluntary and nationalist basis. "First and foremost, achieving these redundancies on a voluntary basis is entirely within Babcock's gift and it is the least this employer can do to recognise the massive contribution of the workforce to the delivery of the aircraft carrier programme."

Unite national officer Rob MacGregor said regarding the job losses at Lloyds Banking Group, "Having returned to profitability Lloyds needs to stop ignoring its corporate social responsibilities."

Such invocations of corporate social responsibility are aimed at disarming workers and providing justification for the continuing inaction of the unions. Lloyds was one of the recipients of the Labour government's £1 trillion bailout of the banking sector following the world financial collapse of 2008. It received over £20 billion of taxpayers' money and was taken into 43 percent state ownership. Last year it was transferred back into private hands and soon after posted a doubling of its pre-tax profits for the third quarter of 2017.