

Invergordon whisky distillery in Scotland demands workers accept a £10,000 pay cut or lose their jobs

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Twenty-one distillery workers, one fifth of the workforce, at a Whyte and Mackay whisky distillery in Invergordon, Scotland, have been offered an ultimatum: “Accept a £10,000 pay cut as part of a ‘modernisation’ of the plant or lose your jobs.”

The huge pay cut was backed by a threat to close the entire plant if it was not accepted. Ian Mackie, production director at Whyte and Mackay Invergordon, claimed the plan “allows us to continue employing approximately 100 people from the local community and contributing £6 million to the local economy.”

Invergordon, near Inverness, is a particularly deprived area of Scotland. With a population of only 3,788, it ranks within the lowest 15 percent of deprived zones in Scotland, according to the Scottish Index of Multiple Deprivation. Workers in the areas are mostly employed by the Cromarty Firth Port Authority, distilleries or the oil industry.

Whyte and Mackay are owned by Emperador, the world’s largest brandy producer and a subsidiary of the Philippines multinational Alliance Global Inc. (AGI). Emperador also own Emperador Brandy, Fundador Pedro Domecq, and Harvey’s, among other companies.

AGI is a holding firm owning shares in the gambling industry, hospitality, real estate and food and drink production, and even owning the rights to McDonalds in the Philippines through the Golden Arches Development Corporation.

The company is owned by Andrew L. Tan, whose net worth is \$5 billion. In 2014, Tan was found to be the fourth richest man in the Philippines by *Forbes* magazine.

The GMB trade union has been pushing for the modernisation for some time, effectively functioning as

an enforcer for management and a regional investment agency. The union pressured the local authority, Highland Council, into ignoring complaints by local residents over environmental concerns associated with the distillery.

In February 1, 2017, GMB Scotland organiser Liz Gordon promoted the plant upgrade as providing a “£6 million a year wages dividend provided by the site” and described the proposal as “good for jobs, good for the economy, good for the environment and good for Invergordon.” Gordon made clear her primary concern was “the business’ competitiveness” of the local area and the interests of the regional economy.

Responding to the massive pay cut, Gordon admitted she had anticipated cuts or job losses, but claimed that the size of the redundancies came as a surprise. She confessed to being “blindsided by the scale of the cutbacks” and “We anticipated a small number, but this is a fifth of the workforce. ...”



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