

500 jobs threatened by closure of McVitie's factory in Glasgow, Scotland

John Vassilopoulos
4 June 2021

Closure of the McVitie's biscuit factory in Glasgow threatens the loss of nearly 500 jobs. McVitie's owner Pladis Global announced in May that the factory has been earmarked for closure in the latter half of next year, pending a 90-day "consultation process".

The Tollcross factory, which produces many popular brands of biscuit including Hobnobs and Rich Tea opened in 1925 and has been a major source of employment in an area blighted by joblessness and social deprivation.

Speaking to *The Sunday Post* weekly, Kirsteen Paterson, an industrial baker who has worked at the plant for 22 years, said, "Closure would be terrible for the area, the city and for hundreds of families. People would lose out on so much, not just a wage. Friendships, working relationships, will all be gone. These are the things which help bind us together and keeps communities together. To lose them tears at the fabric of society... If the factory closes, so many options are lost for people. I moved to the area when I was 24 and this was an opportunity for me. This work is so important and what is being planned is tremendously unjust."

McVitie's biscuits was established as a brand in Scotland in the 19th century. It is one of several confectionery brands owned by UK-based Pladis Global, a subsidiary of Turkish corporation Yildiz Holding Conglomerate. Yildiz acquired the McVitie's brand in 2014 as part of its purchase of United Biscuits and set up Pladis in 2016 to bring together all its confectionary-based companies (Ulker, Godiva, United Biscuits and DeMet's Candy Company) under one umbrella.

Pladis, whose parent company has received some £1 million in publicly funded grants, cited "excess capacity" across its plants in the UK as the reason for closing the Tollcross site.

This is belied by Pladis' own figures in its 2020 Annual Biscuit Review report, published at the end of March. According to the report, six out of the top 10 biscuit

brands in terms of sales were dominated by McVitie's, all of which saw significant growth in revenue during the year. This had been largely driven by the COVID-19 pandemic, which saw more people working from home, with a marked increase in the consumption of cakes and biscuits.

McVitie's chocolate digestives topped the list, with UK sales of £104.5 million, up by 20.5 percent compared to 2019. Pladis Global's latest accounts recorded £2.1 billion in revenue in 2019, and a profit of £153.8 million. 2020 was likely even more profitable given the increase in revenue cited in the report.

The cost of this bonanza has been borne by McVitie's workers, who risked their lives by continuing to work in unsafe conditions throughout that pandemic, having been classified as "key workers". The Tollcross site itself was hit by a coronavirus outbreak in October last year with around 30 workers testing positive.

According to reports, the closure of Tollcross will see additional capacity shifted to the McVitie's plant in Carlisle. This will no doubt result in speed-ups and the increased exploitation of the remaining workers, with ever-higher growth targets being serviced by a scaled-back workforce.

This is part of a global process. The ruling class in every country is using the pandemic as a pretext for a massive assault on workers' conditions, fuelling the growth of their already obscene fortunes. Last year, the collective wealth of the world's billionaires increased by more than 60 percent. This looting of society is epitomised by Yildiz's CEO and Turkey's richest man, Murat Ulker, whose wealth—according to Forbes' latest Rich List—jumped from \$4.3 billion in 2020 to \$6.3 billion in 2021.

The loss of the McVitie's factory would continue decades of industrial devastation. Tollcross once hosted thousands of jobs, with the Tollcross Steel Tube Works

forming part of the large steelworks operation at Clyde Iron Works and Clydebridge Steelworks. In its heyday, the operation employed over 2,000 workers.

Decades of de-industrialisation overseen by successive Labour, Conservative and devolved Scottish National Party (SNP) governments have decimated the living standards of Glasgow's working class ever since. According to figures for 2019 published by the Office for National Statistics, 24.1 percent of all households in Glasgow are classed as "workless", over 10 percent higher than the UK average. The economic effects of the COVID-19 pandemic will have made this situation even worse.

The SNP and the trade unions are seeking to channel opposition to the McVitie's factory's closure into bankrupt appeals to the Conservative government in Westminster.

Speaking in the British parliament on May 19, SNP MP for East Glasgow David Linden called on Prime Minister Boris Johnson to prevent "economic Armageddon on a very fragile part of the local economy." Following Johnson's empty platitudes about the plight of the Tollcross workers, Linden stated, "when we said that we'd leave no stone unturned to try and save this factory, we genuinely meant it and that includes working cross-party to save Tollcross. Engaging the Prime Minister as we try to get Pladis to think again is going to be really crucial in terms of escalating this to executives in Turkey."

The trade union bureaucracy in Scotland has enthusiastically supported this corporatist exercise. Two days after Linden spoke in parliament, GMB Scotland—one of the two trade unions, alongside Unite Scotland, representing workers at the factory—organised a small protest at Tollcross park near the factory site. In his opening address to the crowd, GMB Scotland Secretary Gary Smith made clear the unions have no intention of mobilising their members in a fight to defend jobs but will function as an industrial police force, keeping workers in line to ensure "cross-party support". The line-up of speakers included Linden, Pauline McNeill, a Labour member of the Scottish Parliament for Glasgow and Thomas Kerr, a local Conservative councillor.

The culmination of these efforts is the establishing of the Pladis Action Group, whose first meeting was co-chaired on May 27 by the Scottish Government's Finance Minister Kate Forbes and Glasgow City Council leader Susan Aitken, both from the SNP. Following the meeting, Forbes stated, "We had a really positive discussion with

the trade unions, Scottish Enterprise, Skills Development Scotland and Clyde Gateway, and everyone is absolutely focused on the task ahead."

At the demonstration, McVitie's worker Sharon Henratty told the press, "They've got an absolute cheek to say they've to shut it. We were essential workers and now we're un-essential." Local resident Ben McKee said the closure would have a "massive impact". "It's not just the jobs in the factory, it's the jobs out with the factory as well. You've got all your shops and cafes on Tollcross Road. It's a knock-on effect that I don't think people realise."

A petition opposing the closure has already attracted nearly 52,000 signatures.

Workers at Tollcross can place no confidence in the corporatist machinations of the trade unions. Any counter-proposal acceptable to Pladis management will inevitably include job losses and attacks on the wages and conditions of the remaining staff. To take the fight forward, workers at the site must form their own rank-and-file committee, independent of the pro-company trade unions who will only work to isolate their struggle.

Appeals for support should be made to the 4,200 workers in McVitie's factories across Britain, as well as to workers in the local community. Above all, workers at Tollcross must seek to mobilise the 16,000 workers employed by Pladis across its 25 factories in 11 different countries. Against the global operation run by Pladis, workers must establish their own international organisation drawing on the strength of their class brothers and sisters across the world.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact