

# Tyson announces plant closures in Arkansas and Virginia, impacting nearly 1,700 workers

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*Work at Tyson? Tell us what you think about the layoffs and working conditions at your plant. All submissions will be kept anonymous.*

Meatpacking giant Tyson Foods announced plans last week to shutter two poultry plants, in Van Buren, Arkansas and Glen Allen, Virginia by mid-May. This will result in the loss of 969 jobs at Van Buren and 692 at Glen Allen.

The company's announcement follows its report of a record drop in profits for the fourth quarter of last year. Commenting on the plant closures, a company spokesperson stated that "The current scale and inability to economically improve operations has led to the difficult decision to close the facilities."

Responding to the backlash by workers to close the Glen Allen plant, which has been in operation since 1964, the company said, "While the decision was not easy, it reflects our broader strategy to strengthen our poultry business by optimizing operations and utilizing the full available capacity at each plant."

The closures coincide with a massive corporate reshuffling effort. The company announced last October that it was closing two offices in Illinois (Chicago and Downers Grove) and one in South Dakota, as part of a move to relocate its headquarters to Springdale, Arkansas. The majority of the 1,000 employees at these three locations declined the company's offer to relocate them.

Tyson's restructuring operations take place amid massive layoffs in other industries, especially in tech and auto, but job cuts are also taking place in the food industry more widely. Meat alternative companies such as Beyond Meat and Impossible Foods "have cut more than a fifth of their workforces as demand wanes for their products and the companies look to conserve cash," according to CNBC. PepsiCo and McCormick have also announced job cuts.

These layoffs are an outgrowth of the protracted disruption of global production and supply chains as a result of the ruling capitalist class's refusal to contain the spread of the ongoing COVID-19 pandemic, as well as persistently high inflation.

To counter a push by workers for higher wages to keep pace with inflation, the ruling class has employed its main economic arm within the state apparatus, the central banks, to hike interest rates in order to artificially induce mass layoffs. However, damage is simultaneously being done on the side of profits.

Last month, the *Wall Street Journal* (WSJ) reported that Tyson company recorded "its biggest percentage drop in quarterly profit" since 2009, with its profit margins falling to \$316 million in the fourth quarter of last year, down from \$1.1 billion a year prior. The WSJ noted that this precipitous drop was a result of higher production costs and "slackening demand," which is "squeezing the U.S. meat industry," a stark contrast from the industry's record profits during the initial stages of the pandemic.

While its first quarter report for 2023 recorded \$13 billion in sales (up 2.5 percent), its operating income declined a massive 68 percent to \$467 million. Earnings per the company's share price on Wall Street also slumped down 71 percent from a year prior.

Tyson CEO Donnie King (net worth of \$11 million) told CNN that "demand didn't appear in the parts of the market where we had expected," and that going forward, "efficiency in our operations in our company will be the focal point for us."

The company stated in its first quarter 2023 report that it has already launched "an aggregate \$1 billion in productivity savings" to be met "by the end of fiscal 2024," with "more than \$700 million" in cuts made so far to "offset the impacts of inflationary market conditions, and we believe we will exceed our aggregate \$1 billion target in fiscal 2023, a year ahead of our plan."

At the same time, money is being poured into mergers and acquisitions which will be used to carry out further layoffs in the industry. Late last month, Tyson announced the acquisition of Williams Sausage Company.

Tyson is notorious for exploitative labor practices, including the use of child laborers as cleaners in its facilities and allowing the infection of thousands of its workers

throughout the pandemic.

The US Department of Labor exposed last month the employment of over 100 child laborers by Wisconsin-based Packers Sanitation Services Inc. (PSSI), a cleaning subcontractor for major food processors. All of the children were between the ages of 13 and 17, working hazardous jobs in overnight shifts at 13 meatpacking plants owned by nine different companies.

Seven total were found at two Tyson plants (six in Green Forest, Arkansas and one in Goodlettsville, Tennessee), while 26 were found at Cargill's plant in Dodge City, Kansas, and 27 were found at a JBS Foods plant in Grand Island, Nebraska, the latter where a worker was killed in January 2022 after being struck in the head by a piece of falling machinery. While PSSI was ordered to pay a slap-on-the-wrist fine of \$1.5 million (\$15,138 for each minor), none of the meatpackers suffered fines or any sanctions from the Labor Department.

Several lawsuits have been filed by workers and their family members against Tyson, seeking redress from the company's lack of COVID protocols in its plants, which led to mass infections and deaths.

A civil case filed against Tyson by 41 workers and the family of a worker that died at its Amarillo, Texas plant was reinstated last October. *Food Dive* reported: "The employees claimed in their lawsuit that by keeping its Amarillo, Texas plant open in the early months of the pandemic, Tyson behaved with gross negligence toward employees and was responsible for wrongful death. The employees also claimed Tyson did not provide proper safety equipment to workers."

Late last month, the US Supreme Court struck down a petition by the company against a case by family members of workers at Tyson's Waterloo, Iowa plant where four workers died of COVID and managers ran a betting pool on the number of workers who would become infected in the opening stages of the pandemic. And earlier this month, currently employed and previous workers at five plants throughout Arkansas, as well as their family members, filed a suit against Tyson for its complete lack of COVID safety protocols in early 2020.

*Food Dive* quoted the Arkansas plaintiffs as saying, "In the face of rampant illness and death, Tyson asked its workers to sacrifice their health and lives to meet 3 production goals," and that "Tyson's decisions to force its employees to work in these conditions caused extreme emotional distress to Tyson workers and their family members."

Conditions at Tyson, as bad as they are, are far from unique. A Congressional report found that at least 59,000 workers were infected with COVID-19 and 269 died between March 2020 and February 2021 at meatpacking

companies Tyson Foods, Smithfield Foods, JBS, Cargill and National. In spite of these horrendous figures, which are certainly underestimates, Tyson announced in February 2022 that it was ending its company-wide mask mandate for all vaccinated workers.

A vital instrument of management in suppressing opposition is the trade union apparatus, including the United Food and Commercial Workers (UFCW). UFCW bureaucrats were equally complicit with corporate managers in placing bets at Tyson's pork plant in Waterloo, Iowa, on workers getting COVID.

In response to the shuttering of the Glen Allen plant, UFCW Local 400 President Mark Federici, who covers 35,000 members in different industries throughout six states and Washington, D.C., feigned anger, declaring that it has been the union's "honor and privilege to represent the workers at this plant for decades," he went on: "These men and women risked their lives and the safety of their families to keep this plant operational during the pandemic, and this is the thanks they get? ... Rest assured, our union will do everything in our power to help our members and their families through this difficult time."

Workers, however, should "rest assured" that the union bureaucracy, as it has done throughout the pandemic, will do no such thing to mobilize its entire membership to defend the rights and living conditions of the impacted workers at Glen Allen as well as at Van Buren. Tyson stated in its first quarter 2023 report that its "ability to maintain good relationships with ... labor unions" are one of the factors upon which depend on the "actual results" of its bottom line.

The recent experiences of the UFCW's suppression of Canadian members' opposition to Cargill's concessionary dictates, as well in other industries, makes clear that the only means of opposition to Tyson's assault on workers' living conditions will come from independent rank-and-file committees that reject the reins of the bureaucracy and fight for the economic, social and political demands of the entire working class.



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