

Tyson Foods closes four more plants, resulting in 3,000 job cuts

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Tyson Foods will close four chicken plants across the country between late 2023 and early 2024, cutting 3,000 jobs, the company announced August 7.

Despite generating tens of billions in revenue annually, Tyson has been laying off workers around the country. It announced in April it would lay off 15 percent of its senior leadership and 10 percent of its corporate employees. Late last year, it closed its corporate offices in Chicago and South Dakota. Three months ago, Tyson closed its plants in Van Buren, Arkansas and in Glen Allen, Virginia, affecting nearly 1,700 employees.

The four additional plants now slated for closure are located in North Little Rock, Arkansas; Corydon, Indiana; Dexter, Missouri and Noel, Missouri. Production is being moved to new facilities closer to Tyson's customer base. The four facilities account for approximately 10 percent of Tyson's chicken slaughtering, according to Chief Financial Officer John R. Tyson.

These closures will devastate the economies of the mostly rural communities in which they are located. In Corydon, Indiana, more than 500 jobs will be cut. Responding to the public backlash, a Tyson spokesperson said, "We are closely coordinating with state and local officials, including the Indiana Department of Workforce Development, to connect all team members to resources and assistance available."

Corydon has a population of a little more than 3,000 and is located 25 miles from Louisville, Kentucky. Its unemployment rate of 3.8 percent will almost certainly rise substantially. The annual income of a typical Corydon resident is only \$19,825, significantly below

the national average of \$28,555.

The plant in Dexter, Missouri employs more than 680 people and is set to close October 13. City Administrator David Wyman told the press the closure will have a ripple effect on the area's economy, including forcing the local government to halt plans to construct a new \$18 million wastewater treatment plant. The town of Dexter has a population of 7,900.

The plant closure in Noel, Missouri will affect 1,513 jobs. "No way we can absorb that into existing jobs," Presiding Commissioner of McDonald County said on Tuesday. The entire town only has a population of 2,100 people.

In North Little Rock, about 300 workers are set to lose their jobs. While the town of 68,000 has an unemployment rate of 2.8 percent, lower than the national average, household median income is only \$45,590 and the poverty rate is 21.7 percent.

In 2018, Tyson Foods marked the 50th anniversary of production at the North Little Rock plant. John H. Tyson, the billionaire chairman of Tyson's board, said at the time: "Our acquisition of the plant in 1969 marked the initiation of our production of further-processed chicken, which became a cornerstone of our poultry business. This move also paved the way for our entry into the food service industry. I take pride in the dedication of our North Little Rock team members and their ongoing efforts to serve our valued customers."

The facility, spanning 76,000 square feet, commenced operations in April 1968 under Prospect Farms, Inc. of North Little Rock, before being acquired by Tyson Foods in 1969. However, despite enduring three years of COVID-19 with low wages, the workers who were celebrated just five years ago are now facing termination.

Last year, Tyson announced it would target \$1 billion

in productivity savings by the conclusion of fiscal year 2024. It cut more than \$700 million last year alone, and already surpassed its \$1 billion target during the second quarter of 2023, reaching its target significantly ahead of schedule.

While the company is citing declining revenues as the justification for the plant closures, Tyson's sales are still up substantially from pre-Covid levels. For the quarter ending on June 30, 2023, Tyson Foods recorded revenues of \$13.14 billion, a 2.63 percent decrease compared to the previous year. However, In 2022, the revenue reached \$53.282 billion, a substantial 13.25 percent increase from 2021. In 2020, revenue stood at \$43.18 billion, reflecting a 1.84 percent increase from 2019, the last full year before the pandemic.

“While current market dynamics remain challenging, Tyson Foods is fully committed to our vision of delivering sustainable, top line growth, and margin improvement,” said King, “I’m encouraged by the improvements we made this quarter, including our Tyson Core Business lines that continue to outpace our peers in volume growth.”

The mass layoffs at Tyson show the complete subordination of human life to private profit in American and world society. The industry was among the most unsafe in the country even before Covid-19, owing mainly to repetitive motion injuries stemming from the slaughtering and butchering process. Dilapidated infrastructure also plays a role. Last year, 22-year old Casen Garcia died at the Tyson plant in Joslin, Illinois, apparently after being electrocuted by faulty machinery.

Meatpacking workers were already among the most exploited industrial workers in the country, with the workforce drawn overwhelmingly from immigrants who lived in constant fear of immigration raids in their homes or even in the plants.

The company reaped record profits in the early years of the pandemic, when, with the support of the White House and local governments, the meatpacking industry kept its plants open. One Tyson pork facility in Iowa became infamous when it was revealed that managers were taking bets on how many workers would eventually catch Covid. The United Food and Commercial Workers Union kept workers on the job around the country and opposed walkouts. By September 2021, there were nearly 60,000 confirmed

cases among meatpacking workers and 298 confirmed covid deaths, according to the Food and Environment Reporting Network.



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