

# ASDA £11 billion debt merger threatens food supply and jobs



**A debt-laden merger between Asda and petrol forecourt business EG Group will threaten the UK's food supply, fuel prices and 100,000 jobs, GMB has told the Trade Secretary.**

In a [letter to Kemi Badenoch, Secretary of State for Business and Trade](#), the union points out ASDA's debts are already thought to be more than £4.7 billion and any potential merger with EG Group could add more than £7 billion to the total.

The £7 billion EG debt is due to be refinanced in 2025 when interest rates are likely to be significantly higher – placing the 'big four' supermarket in a perilous financial position, the union warns.



GMB calls on the Business Secretary to ensure the merger is fully investigated by the Competition and Markets Authority (CMA).

The letter arrived as the [Government Department](#) this week published its legislation, the [Digital Markets Bill](#), on strengthening the investigatory and enforcement powers of the regulator.

**Nadine Houghton, GMB National Officer, said:**

“The potential ASDA and EG Group merger is likely to saddle the company with a massive, unsustainable debt burden.

“Allowing it to go ahead would be deeply irresponsible.



“Firstly, it risks the jobs of more than 100,000 employees.

“As one of the largest private sector employers in the UK, the future sustainability of the business is a matter of national, public interest.

“Secondly, it would place the future of the UK’s food supply at risk by loading even greater, debt on to one of the UK’s Big four Supermarkets.

“Finally, it will have a chilling effect on competition for fuel prices by creating a 'super retailer' of more than 700 petrol stations.

“This merger is not in the best interests of ASDA as a business and certainly not in the best interests of the public and consumers.



“GMB calls on the Secretary of State to ensure the CMA investigates thoroughly - and that additional investigatory and enforcement powers are given with the Competition and Markets Bill now coming to the floor of the House.”

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