

Australia: Striking Chemist Warehouse workers demand higher pay and job permanency

Steve Strietberg
25 March 2019

Eight hundred workers employed by pharmacy retail giant Chemist Warehouse (CWH) Distribution Centres at Somerton and Preston in Melbourne and Eagle Farm in Brisbane remain on indefinite strike after walking out on March 12. They are demanding a 25 to 30 percent wage rise and cuts in the use of casual labour.

CWH warehouse workers are paid 25 percent less than those employed by industry competitors. Labour hire companies ASAP and Taylors provide between 75 and 80 percent of the CWH workforce. Casualised work and a permanent state of job insecurity has enabled the company to drive down wages and conditions and massively increase profits.

These conditions, including the ongoing use of casuels, are the product of cost-cutting agreements between the National Union of Workers (NUW) and the highly profitable pharmacy retailer.

Under the previous Enterprise Agreement (EA), endorsed and imposed by the NUW, CWH distribution centre workers are paid an average of just \$20.84 per hour. This pattern of low-pay applies across all CWH's operations, including in its retail outlets. Pharmacy assistants receive \$19.05 per hour and retail sales assistants as little as \$17.54 per hour.

Striking CWH workers have reported that they have been threatened. Several trucks have been deliberately driven at their picket lines, injuring several workers. NUW nation secretary Tim Kennedy told the media on Sunday that the company was "condoning violence" against the picketing workers.

Despite these violent provocations, the NUW is deliberately isolating the strikers. No other section of the NUW's 70,000-strong membership has been called out on strike or mobilised to defeat these attacks.

Like the rest of the trade union apparatus, the NUW's main concern is to contain the industrial action and negotiate a deal which ensures it remains as the industrial police force for the company and the warehousing and servicing sector.

On the first day of the strike on March 12, Australian Council of Trade Unions (ACTU) Secretary Sally McManus addressed a protest outside CWH head office next to its online distribution warehouse in Preston.

McManus declared, "CWH relies on broken rules to keep workers in insecure work." This was a reference to the trade unions' bogus "Change the Rules" campaign, which is directed to secure the election of a Labor government in the upcoming federal election and minor modifications to the repressive Fair Work Australia industrial laws.

The comments are entirely hypocritical. The ACTU and the entire trade union movement endorsed the previous Rudd Labor government's introduction of the Fair Work Commission in 2009 which illegalised all strike action by workers except under tightly prescribed rules that favour employers. The casualisation of warehouse work has been actively endorsed and imposed by the unions for decades.

Addressing a March 22 rally outside the CWH Preston head office, Labor's shadow assistant minister for workplace relations Lisa Chesters proclaimed a federal Labor government would "stop labour hire rorts once and for all." This is belied by the fact that labour hire and casualisation vastly expanded under the last Labor government from 2007 to 2013.

Striking Somerton workers spoke with *World Socialist Web Site* reporters last week about the exploitative conditions facing casual workers. They

explained that although there are seasonal fluctuations in warehouse output around Christmas and Mother's Day, almost all casual workers are expected to report for work every day.

Workers described conditions at Somerton and Preston warehouses as toxic, "where fear of losing shifts coincided with bullying, intimidation and sexual harassment."

Nana, worked at CWH for five years but was only made permanent a year ago. She said one of the NUW delegates, a man with a young family to support, has been called in every day for years, but refused a permanent position.

Juliet, who has worked at CWH for over a decade, said, "Taylors hired a whole lot of new casuals, I think for the benefits they get from the government, and then they put them on standby, and then they hired a whole lot more." Workers placed on standby, she said, are often only hired once a week for one short shift of four hours from 6 a.m. to 10 a.m.

She said that some of those on standby were single mothers and never know when their next shift would be. One young woman, she explained, who lived 41 km from the warehouse, was given a four-hour shift and then offered just \$2 for petrol if she returned for a four-hour shift the next day. "She totalled only 15 hours for the week," Juliet said.

Juliet said CWH's newer warehouse in Somerton had no fans or air conditioning for the picking staff. Management refuses to meet with workers about heat injuries or fan installation. Management's solution to high temperatures, she said, was to supply one bottle of water per day.

"When temperatures in the warehouse reached 45 [degrees centigrade] sick workers wanting to go home were told that they would receive no pay for that day if they did go. If they did [leave], it had to be for a medical reason which would mean they would have to obtain a doctor's clearance before they would be allowed to work again," she said.

WSWS reporters also spoke to CWH strikers on a picket line outside the Brisbane warehouse.

Isaac, a young worker, said "There is a lot of uncertainty, whether you are casual or full-time. Casuals are forced to compete against each other. In general, it is a dog eat dog world for casual workers. There are just 44 full-time employees here, but there

are over 60 casual workers.

"A worker who is on full-time only gets \$24.50 an hour, but casuals are paid even less. And there is no certainty. A casual may only get one or two shifts a week, and they can be replaced at any time. Casuals don't know if they're working the next day, or even if they still have a job. This EA dispute is about stopping the casualisation of the workforce and winning a pay rise that is on par with the industry standard for the work we perform."

The situation confronting CWH's 10,000 employees stands in sharp contrast with the company owners. CWH operates under the East Yarra Friendly Society and its sales reached \$2.7 billion in 2016 with a net profit last year of \$101 million, up from \$97 million the previous year.

To take forward a struggle for higher pay and permanent jobs, Chemist Warehouse workers have to recognise that the conditions that they confront are a product of decades of betrayal by the NUW and all unions.

Nothing can be defended without a complete break from the unions and the Labor Party, and the establishment of independent organisations of working-class struggle. This includes rank-and-file committees to coordinate an industrial and political fight across the warehousing sector and to turn to other sections of the working class nationally and internationally. This fight must be based on a socialist perspective and directed towards the establishment of a workers' government.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact