

Australia: Union escalates sell-out campaign after Coles Smeaton Grange lockout extended

Oscar Grenfell
12 February 2021

The United Workers Union (UWU) has responded to Coles' "indefinite extension" of a three-month lockout of workers at the Smeaton Grange warehouse in southwestern Sydney by ramping up its campaign to impose a sell-out agreement and a return to work at the facility on management terms.

The UWU officials are using a playbook that has been repeatedly employed by the unions to shut down workers' opposition and enforce a defeat on them in one dispute after another over the past several decades.

Firstly, this involves an insistence that the union, which claims 150,000 members, can do nothing, other than collaborate with the company in secret, backroom negotiations. Then, the bureaucrats state that management is refusing any concessions and the offer on the table is the best that workers will get. And finally, the officials orchestrate an endless series of ballots, aimed at wearing workers down until they eventually see no choice but to ratify an agreement they have rejected numerous times before.

The UWU held yet another vote yesterday on Coles' enterprise agreement offer, which has remained substantially unchanged since the beginning of the dispute. Counting unofficial union polls and "surveys," as well as ballots organised by the company and the industrial authorities, this was at least the eighth occasion on which workers were asked to vote on Coles' proposals.

On February 2, workers rejected the agreement in an official ballot of all Smeaton Grange workers. This was one of the only votes that actually had legal standing. It was a major blow to the attempts of Coles and the UWU to impose a sell-out, which they had been presenting as a done deal, and has triggered a crisis for both the company and the union.

Coles responded by coming back with an identical offer, plus a contemptuous \$1,000 bonus. This was rejected at a delegates meeting on February 5, and then in a UWU-organised "survey" of all union members last weekend.

Now, the union officials are calling for the sign-on bonus

to be increased to \$5,000. The UWU ballot of union members yesterday asked whether they would agree to Coles putting a "revised offer" to a general vote of all workers at the site, in a company ballot.

In addition to the higher cash handout, the union is touting provisions for a greater number of workers to be provided with early voluntary redundancies once the lockout ends. In other words, one of the key selling points, for the union, is that the deal will assist the company to enforce a speedy closure of the warehouse and the destruction of the jobs there.

The deal would still provide for the shutdown of the warehouse, the destruction of most, if not all, of the 350 jobs, a wage rise of just 3.5 percent per annum in the meantime, and the inadequate redundancy provisions put forward by Coles early in the dispute.

It remains entirely unclear whether Coles, which reported a net profit of \$951 million last financial year, will agree to increasing the bonus to \$5,000. Even if it does, the figure represents a fraction of the wages that workers have been denied over the course of the lockout.

Some workers have noted that the various versions of the agreement pushed by the UWU demonstrate the extent to which the union has abandoned even its own inadequate log of claims. The union has always insisted that the closure and the job destruction are "inevitable." But it previously claimed to be pushing for a "just transition." Even this posturing has been completely dispensed with.

Over the past months, the union has abandoned its initial wage demand of 5.5 percent per annum, adopting the company's 3.5 percent; it has dropped calls for redundancies capped at 104 weeks of past employment, accepting the company's offer of 80 weeks; and it has ditched any talk of some workers being given the right to redeploy to the new automated facility that is set to replace Smeaton Grange.

According to UWU figures, texted to workers, 80 percent of union members who took part in yesterday's ballot voted "yes" to the new offer being put to all workers in a company poll, while 20 percent voted no.

The participation rate was low, with the UWU reporting 216 “valid votes.” That compares with 255 “valid votes” in a January 22 union ballot that was aimed at overturning previous rejections of the deal in company-organised votes.

The January 22 union poll, which registered a narrow endorsement of Coles’ offer, was marked by substantial irregularities, including more than one hundred votes, or almost a third of the total, being discounted as “duplicates.” In yesterday’s vote, the union only reported six “duplicates” and one vote with an “invalid ID.”

It nevertheless remains the case that the only two occasions, out of eight, when a “yes” majority has been recorded on any ballot relating to the agreement, have been in-house union operations that cannot be scrutinised by workers or independent observers.

In any event, workers are being made to vote with the equivalent of a gun to their head.

Yesterday’s ballot followed a meeting of workers at Smeaton Grange last Monday. Matt Toner, the UWU’s warehousing director, had flown from the union’s plush national headquarters in Melbourne to address the Smeaton Grange picket in the working class suburbs of southwestern Sydney. That Toner, who has been intimately involved in the sell-out operation, travelled interstate, at short notice, amid an expanding coronavirus crisis in Melbourne, demonstrated that he was on a mission.

The bureaucrat restated the union’s refusal to provide any strike pay, under conditions in which workers have been compelled to exhaust their savings and their superannuation to survive. At the end of last financial year, the UWU reported \$300.8 million in total assets, including \$94.2 million in cash reserves.

Toner insisted that the union could not do anything other than engage in backroom talks with management and call ballots, because it had to represent “all workers” including those who had registered their support for the sell-out agreements. In fact, many workers who have voted “yes” in the various ballots have done so because they are being starved out by the union.

Toner’s intervention had the character of a one-two punch coordinated with the company and aimed at convincing workers they had no option but to accept a sell-out.

Two days after Toner’s trip, Matt Swindells, Coles’ chief operations officer, announced an indefinite extension of the lockout. The senior manager pilloried workers for repeatedly rejecting the sell-out and Coles attacks on their wages and conditions. According to Coles’ 2020 annual report, Swindells received \$709,200 cash and a total remuneration package worth \$2,355,277 last financial year.

While he was intensely hostile to the workers, Swindells praised the UWU for its collaboration in seeking to impose a

company deal. He made clear that workers would not be allowed to return, and receive a wage, until they ratified a regressive enterprise agreement.

Swindells, who is in the “executive leadership team” of one of Australia’s largest corporations, railed against “extremist anti-union socialists” who had disrupted the company-UWU operation.

This makes the real battle lines at Smeaton Grange absolutely clear. The experiences of the past three months have demonstrated that workers cannot defend any of their rights and conditions within the framework of the union. The fight for a continuing rejection of the sell-out in company and official ballots that will likely be forthcoming, must be connected to a broader political perspective.

The alternative to abject capitulation to the company pushed by the union is what Swindells warned against: the program fought for by the Socialist Equality Party and the *World Socialist Web Site*.

That is for a rebellion against the union, and the establishment of independent rank-and-file committees at Smeaton Grange, throughout Coles and Woolworths operations and at warehouses everywhere. A network of such committees could coordinate a genuine industrial and political offensive in defence of all jobs, and against a series of slated closures in the sector, including Smeaton Grange, four other Coles warehouses and three operated by its rival Woolworths.

This is a political fight against not only the company, but also the government, Labor, the unions and the Fair Work laws that they use to suppress any collective action by workers. It requires a socialist program, aimed at placing Coles, Woolworths, the major corporations and the banks under public ownership and democratic workers’ control.



To contact the WSWs and the
Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)