

# Australian union rams through sell-out at Coles Smeaton Grange

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After isolating 350 workers at Coles' Smeaton Grange warehouse throughout a company lockout that spanned more than three months, the United Workers Union (UWU) has forced through a sell-out enterprise agreement that gives the supermarket giant everything it demanded.

The betrayal of the workers has a significance that goes far beyond their facility in southwestern Sydney. The lockout, among the longest industrial disputes of the past two decades, contains critical lessons for the working class as a whole. Chief among them is that any fight in defence of jobs, conditions and basic rights confronts the unions as an enemy force that serves the interests of company managements and privileged officials, against the workers they falsely claim to represent.

For some 14 weeks, the workers held out against the dictates of one of the largest companies in Australia as it refused to provide them with a wage or allow them inside their workplace. This was a courageous stand on behalf of not only their own jobs and conditions, but those of other warehouse staff across the country, who are also in the firing line, and the working class as a whole. It reflected a growing militancy and opposition among wide layers of workers.

But this struggle was systematically undermined and betrayed by the UWU. From the outset of the dispute, the union accepted that Smeaton Grange would be closed and virtually all of the jobs there destroyed. Initially, the UWU claimed to be fighting for a "just transition" and "fair redundancies." Over the course of the three months, even that posture was abandoned, as the union adopted the company's demands in full and insisted that workers had no option but to accept them.

Depending on how many of the dubious "indicative" union "polls" and "surveys" one includes, the company ballot on Saturday was the tenth or eleventh occasion on which workers were compelled to vote on an "offer" from Coles that remained fundamentally unchanged throughout the dispute, and that they had previously rejected on multiple occasions.

The immediate context of Saturday's ballot was the

company's February 10 announcement of an indefinite extension of the lockout. This was declared in a video by Coles Chief Operations Officer Matt Swindells. He venomously denounced workers who had rejected the agreement in a vote on February 2, praised the UWU and warned against "extremist" and "anti-union" socialists, i.e., the Socialist Equality Party and the *World Socialist Web Site*, who were disrupting the company-union sell-out operation.

The union responded by declaring that it would do nothing, other than hold more closed-door discussions with management and organise further ballots on the same agreement. The UWU, which declared assets valued at over \$300 million at the end of the last financial year, including more than \$94 million in cash reserves, reacted to the February 2 "no vote" by again vehemently rejecting calls for its vast coffers to be opened to provide desperately-needed strike pay.

It was in this context, with workers confronting a united front of the company and the union, as well as the prospect of weeks or months longer without any pay, that a reported 71 percent voted the agreement up in Saturday's ballot.

The UWU immediately sent a text message to workers, declaring that it was "great to see so many people supporting the EA [enterprise agreement.]"

The analogy that comes to mind is criminals thanking their victims, after beating them into submission. The union is well aware that the vast majority of workers remain intensely hostile to the agreement and view it as a sell-out. Many of those who voted "yes" did so because they had been pauperised. Given the circumstances, the most remarkable aspect of the ballot is that at least 29 percent of workers voted "no."

Notwithstanding the union's claims to have achieved some sort of victory on behalf of workers, the agreement is actually worse than previous versions.

The UWU abandoned almost the entire log of claims lodged at the beginning of the dispute. An initial demand of a 5.5 percent per annum wage rise was scrapped for the

company's "offer" of 3.5 percent; calls for redundancies capped at the equivalent of 104 weeks of service were dropped for Coles' proposal of 80, and any talk of workers being given the right to redeploy to the new automated facility that is to replace Smeaton Grange was dispensed with weeks ago.

Management and the union touted a \$1,000 sign-on bonus, which had been rejected by workers last month as contemptuous. Coles, which reported half-year profits of more than \$500 million last month, dismissed any suggestion of increasing the payment, even to a paltry \$5,000 per worker, under conditions in which it has denied employees tens of thousands of dollars in wages.

To cover over the fact that it was enforcing all the company's dictates, the UWWU resorted to outright misinformation.

The union joined the company in hailing "enhanced redundancy provisions." These, it indicated, would allow workers to take a voluntary redundancy at any time until Smeaton Grange is closed. Those who have read the agreement, however, know that voluntary redundancies remain capped at 80 workers, meaning some 270, the vast majority, are going to be sacked.

A supposed ratio of 80 percent permanent staff to 20 percent casuals, prior to the closure, is also bogus. The agreement presents this as an aspiration only, and insists that Coles will require "flexibility" and a "pragmatic approach" from the union, as it "downsizes" the workforce.

The union was very quiet about one clause in the agreement, which was not contained in previous versions. It states that workers will not be disciplined for participating in pickets and protests during the lockout, on the condition that the UWWU ensures that "no further action will be taken for the remainder of the dispute." In other words, the union has signed an agreement to suppress any opposition from workers to management attacks against them.

With extraordinary rapidity, the union and the company moved to engineer a return to work. In its Saturday text message, the UWWU added insult to injury by inviting workers to participate in a "voluntary clean up ... at the site to allow it to get operational."

The company informed workers that some of them would begin returning at 7 a.m. today, but not for regular shifts. Those will not begin until next Monday at the earliest. Instead, workers, some of whom have been at the facility for decades, are being hauled in for "refresher training."

The character of this "training" is indicated by the fact that it will begin with workers being handed a formal letter on "expected workplace behaviour standards." In other words, they will be subjected to a management harangue.

The speed with which the company and the management

have orchestrated the return is dictated by two considerations. First, they both know they are sitting on a powder keg of opposition, and want to begin the shutdown of Smeaton Grange as quickly as possible.

Secondly, they are making an example of the workers and setting a precedent that will be deployed against other Coles staff, not in the distant future, but in the coming weeks and months. Coles management has indicated that it will rapidly press ahead with a sweeping restructure, aimed at saving \$1 billion over five years, of which the Smeaton Grange warehouse closure is one part.

The Eastern Creek distribution centre in western Sydney, the Goulburn warehouse in regional New South Wales and two facilities in Brisbane are slated for imminent shutdowns.

In other words, the struggle at Smeaton Grange is not the end of the fight, but the beginning.

The warnings of the Socialist Equality Party, that anger and opposition are not enough, have been painfully confirmed. It is impossible to defend anything within the straitjacket of the unions, which are corporatised, anti-working class organisations.

This poses the need for workers at Coles, Woolworths and throughout the warehousing industry to make a complete break with the UWWU and the other unions. Independent rank-and-file committees are required to organise a fight against the closures and in defence of all jobs.

This is a political struggle, directed not only against company management, but the corporate elite as a whole, the government, Labor, the unions and the draconian Fair Work industrial legislation that is used to suppress any collective action. To defeat this line-up requires a broader political movement of the working class.

A new, socialist perspective is required. Workers cannot defend their jobs and conditions, if they accept the "right" of Coles to slash costs in order to drive up profits and shareholder returns. Fundamental social rights can be guaranteed only if industry is operated on a different principle, of serving the needs of workers and society. This means placing Coles, Woolworths, the major corporations and the banks under public ownership and democratic workers' control. That requires the fight for a workers' government and for socialism.



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