

Kroger closes more Los Angeles grocery stores in response to “Hero Pay”

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15 March 2021

The grocery store giant Kroger is planning to close three of its stores in Los Angeles, two Ralphs and one Food 4 Less, after the passing of a local “Hero Pay” ordinance that would grant grocery and pharmacy workers a \$5 raise for the duration of the pandemic.

These “Hero Pay” laws, which have been adopted by a number of cities around the country now, have met with obstinate resistance from the employers. The California Grocers Association has initiated lawsuits against several cities in the state for passing these laws.

The reaction from Kroger to this temporary raise, granted under the conditions of a pandemic in which tens of thousands have died in Los Angeles alone, has been hysterical. From the beginning, Kroger made threats to close stores if the ordinance were passed, and has already made good on them. Kroger first announced the closure of several other underperforming locations in neighboring Long Beach in early February in response to the Hero Pay ordinance which was passed there.

While the working class has borne the brunt of the pandemic, the financial elite has seen its wealth explode. With the passing of the CARES Act, which allowed for an unprecedented flow of cash to the major corporations, a whole layer of “pandemic profiteers” was created. The large retail conglomerates received their share. Kroger’s year-on-year profits increased a massive 90 percent in the first half of last year, from \$1.06 billion in 2019, to \$2.03 billion in 2020. Other retail giants like Walmart tailed behind, reporting a mere 45 percent increase in the same period.

In their statement announcing the closing, Kroger said “when you factor in the increased costs of operating during COVID-19, consistent financial losses at these three locations, and an extra pay mandate that will cost nearly \$20 million over the next 120 days, it

becomes impossible to operate these three stores.”

In Los Angeles, Kroger boasts that they pay their workers \$18 an hour. In a city where the average rent for a two bedroom apartment is well over \$2,000, these are starvation wages. Among grocery store and retail workers, it is not uncommon for more than half of wages to go towards rent. Hero Pay, were it to pass unimpeded, would barely bring average rent under half of average wages.

While it is difficult to pin down national figures, some 5 percent of all COVID-19 infections happen in grocery stores according to data gathered in Illinois and New York. This means that workers are forced to accept a real risk to their health and well-being, as well as to their families, every time they clock into their shift. In Los Angeles County over 10 percent of the population has already been infected with COVID-19.

The United Food and Commercial Workers Union, (UFCW) which represents Kroger employees, has supported Hero Pay along with the Democratic Party, but has not taken up any real fight to prevent store closures. Small protests by workers broke out at some of the locations slated to close, but there has been no coordinated action by the union to fight the closures, let alone talk of a strike.

Bernie Sanders has supported the UFCW in this, and has joined it in promoting Hero Pay, going so far as to send a letter to Kroger’s CEO begging him “to take the necessary and responsible steps to improve stores’ safety and compensate Kroger essential workers fairly by immediately reinstating hero pay (\$2/hour) to all workers across the country.”

Over the last twenty years there have been major struggles by workers in the food supply chain. In 2004 the union accepted a concession contract replete with cuts to health care, pay and a number of other benefits

after a major struggle. More recently during the Hunts Point strike in New York, in which 1,400 workers organized in the Teamsters struck for pay raises, the UFCW did not move to mobilize its own members in a united struggle, despite representing butchers at the market.

Workers must draw the necessary conclusions from the long line of betrayals by the union. To wage a real fight for jobs, pay and safety it is necessary to break with these extraordinarily degenerated organizations and create new organs of struggle, rank-and-file committees, independent of and hostile to the union and its hangers-on.



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