

# Australia: Transport Workers Union calls for food delivery minimum wage

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23 May 2021

On Wednesday, the Transport Workers Union (TWU) held a rally in Sydney over the low wages and dangerous conditions faced by UberEats delivery drivers. Five of these highly-exploited workers were killed on Australian roads in just two months late last year.

Far from being part of a fight to improve the atrocious conditions, the rally was part of a campaign by the union to use the growing anger of delivery drivers to give the TWU a seat at the bargaining table with Uber. Called with just over a day's notice and barely promoted by the union among delivery drivers, let alone the working class more broadly, the rally was attended by no more than 15 drivers. The small turnout was certainly not due to any lack of concern among workers about worsening pay and conditions in the industry.

Drivers who spoke to the *World Socialist Web Site* described growing pressure to make deliveries and a sharp decline in their income. One bicycle rider said after expenses are considered, he makes an average of only \$5 an hour. Another rider said he now makes \$10 an hour during peak times, half of what he used to earn.

**Ady** explained that when he started in 2017, he worked eight to nine hours a day, five days a week and earned over \$1,000 a week from just one app.

“Now I am on every app,” he said. “New ones keep coming and you just sign up hoping they will be better than the last, but they are all just getting worse. The riders are facing the impact of this. A driver will try to get as much work as he can in the busy hours to maximise his earnings, he doesn't have any option. If he doesn't do it then he may not get another order for the rest of the day.

“Just imagine the mental aspect of a person who is sitting in a car waiting for the next order to hit and if it is not coming then he is in a constant state of panic. It is getting worse and worse. Every passing day the rates are coming down. You could be online for a couple of hours and you won't get anything.”

**Vamshidhar** said he started on a bicycle but after two years on UberEats he had his access suddenly cancelled due to “poor service” according to an email from Uber, even though he delivered food in “bad weather conditions, rainy days, very hot days, very busy days, sometimes with very late pickups and drop offs at night.”

The rally was addressed by Michael Kaine, national secretary of the TWU, who lauded Tuesday's decision by the Fair Work Commission (FWC) that former delivery driver Diego Franco was an employee of Deliveroo and that he had been unfairly dismissed by the company. Kaine presented the FWC's decision as a “landmark ruling” that made Uber's boardroom members “panic.” The ruling, however, was explicitly presented as a one-off case, without any immediate impact on the status of any other rider.

Over the last four years the FWC has, on four separate occasions, ruled that delivery drivers are not employees, but “independent contractors,” with next to no legal rights or benefits. However, the Deliveroo ruling, as well as Uber's recent out-of-court settlement over the alleged unfair dismissal of Amita Gupta, and findings in the UK and elsewhere that delivery drivers are employees, have prompted Uber competitor Menulog to work closely with the TWU to ensure that any changes to riders' legal status has minimal impact on profit.

Kaine praised Menulog, which he claimed, had “come forward to say that things have to change.” The TWU is currently in negotiations with Menulog to establish the country's first “on-demand industry award,” which would change the status of delivery drivers to “employees” while continuing their exploitation and formalising the role of the union in the growing sector. The new award is necessary because Menulog is unwilling to accept the minimum shift lengths required under existing awards.

Menulog will soon begin a small trial in which delivery

riders will be employed under the Miscellaneous Award, meaning workers will be paid the minimum casual wage of \$24.80 per hour. The company says it will also provide an injury insurance plan that is “as close as we can get to workers compensation.” When asked at a recent NSW parliamentary inquiry if the changes would “destroy” Menulog’s business, Menulog Australia’s managing director Morten Belling bluntly replied, “No. Otherwise we wouldn’t go down this path.”

Minimum wage and formal status as employees will not end the exploitation of delivery drivers. Indeed, it will create new opportunities for employers to exercise control over workers. The nature of gig-economy work, which requires workers to constantly run a GPS- and internet-connected smartphone app, allows employers unprecedented scope to enforce performance targets and demand speed-ups.

Permanent employees will likely be unable to pick up rides from competitors, reducing their potential sources of income. The establishment of a permanent, low-paid workforce will also allow Menulog to reduce the number of riders on its books.

Kaine sought to promote illusions in the Labor Party, who he said, “has indicated what it will” address the conditions of gig-economy workers, unlike the Liberal-National government. He called on Tony Sheldon, a New South Wales (NSW) Labor senator, who told workers “you should all be allowed to ensure you get minimum wage.”

Sheldon directly appealed to the Coalition, stating, “This is a real opportunity for the government to turn around and say let’s have a bipartisan support for decent working conditions for everybody who works in this country.”

Sheldon’s posturing is bogus. It was the Labor governments of Bob Hawke and Paul Keating, as well as the unions, that signed a series of accords with big business in the 80s and 90s, providing for the deregulation of the economy, the destruction of hundreds of thousands of permanent jobs and the elimination of entire industries.

Since then, Labor and the unions have worked hand-in-hand with corporations to suppress the class struggle and enforce one enterprise agreement after another that undermined secure working conditions, paving the way for the gig-economy. As a result, about one-third of Australian workers are now in insecure casual or part-time work or are “independent contractors.”

Sheldon played a central role in implementing this agenda in the transport and delivery sector. It was under

his tenures as the TWU’s NSW state secretary (1999–2008) and national secretary (2006–2019), that the gig-economy became predominant in the delivery industry, without the slightest opposition from the union.

The already rapid growth of the Australian food delivery industry—now worth \$2.6 billion—was accelerated by the coronavirus pandemic. Consumer spending in the sector has tripled since the beginning of 2020.

Mass unemployment and the federal government’s decision to exclude international students and overseas workers on temporary visas from any form of welfare during the pandemic, without opposition from Labor, helped ensure a ready supply of desperate riders and drivers for Uber and its competitors.

According to a report commissioned by Uber, 59 percent of the company’s delivery riders began work during the COVID-19 pandemic, 77 percent said they were ineligible for government support and 60 percent said they found it difficult to access “traditional” work.

The TWU is desperate to expand its deal with Menulog to include other companies, such as Uber and Deliveroo. The establishment of delivery drivers as employees will potentially give the TWU access to a vast and untapped supply of membership dues. More than that, it will enable the TWU to extend its role as an industrial police force in a growing sector of the economy in Australia and internationally, which only exists due to the betrayals and defeats of the working class presided over by the unions over decades.

None of the measures presented by either Kaine or Sheldon have anything to do with defending the rights and conditions of delivery drivers. Workers should reject with contempt the demands by the TWU and Labor that they accept the poverty-level minimum wage.

Instead, all workers should be provided with permanency and a living wage that eliminates the need to risk their lives to complete jobs or make quotas. But that requires a head on assault on the wealth of the corporate and financial elite, which the unions and Labor oppose. The next step for delivery drivers is therefore to establish independent rank-and-file committees that can take forward a unified fight for wages and conditions.



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