

Australian Cadbury chocolate workers strike over wages, casualisation

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Nearly 400 workers at two Cadbury chocolate factories in Melbourne took 24-hour strike action last month and 300 stopped work again on October 8 as part of a dispute over a new enterprise agreement. Workers are demanding higher wage rates and opposing the company's refusal to transition longstanding casual workers to permanent status.

The first stoppage, on September 17, took place at the company's Ringwood and Scoresby factories, both in Melbourne's eastern suburbs. According to the *Australian*, the second strike involved only Ringwood workers. The Australian Manufacturing Workers' Union (AMWU), which covers the sites, has said there will be "more action" taken at the plants "in the coming weeks."

One of the strikers, Sabina, who has worked at Cadbury for 25 years as a bagging operator, explained that production has been ramped up during the COVID-19 pandemic. "We're being asked to do more work than ever," she said. "I don't feel like I am being recognised and the pressure is at boiling point. It's gut-wrenching, it's the pits and it's not what we signed up for... People are so stressed at the moment and the company are not taking that seriously."

These comments were featured on the Facebook page of the AMWU. The union added: "Many of the workers who make your favourite Cadbury treats are being forced to remain in insecure work. Some of them have been casuals for up to ten years and Cadbury are refusing to make them permanent."

These complaints aim at covering up the union's responsibility for the conditions at Cadbury. The previous enterprise agreement, negotiated between corporate management and the AMWU bureaucracy in 2018, expired last March. This saw an 8 percent wage increase over three years, or just under 2.7 percent per year.

The company's latest offer, which was rejected by 80 percent of the workers, is for a 3 percent raise in the first

year of the agreement and then 2 percent in each of the next two years. That is a total of just 7 percent, averaging 2.3 percent per year. This is even less than Cadbury's original offer of just under 2.5 percent a year over a four-year agreement, and is significantly below the rising costs of living affecting workers. The union is asking for an only marginally higher raise of nine percent over three years.

In the face of corporate intransigence on both wages and secure employment rights, the AMWU is now working on behalf of the company to diffuse tensions among workers.

The bureaucracy has complained: "Workers shouldn't have to take strike action to get secure jobs." While that is the union's position, Cadbury workers voted 94 percent in favour of an unlimited number of indefinite stoppages. The AMWU, however, is currently restricting action to 24-hour strikes, which the company insists have done nothing to disrupt production and supplies.

There were, however, reports that Cadbury deployed office staff to run the lines during last month's strike, resulting in clogged chocolate machinery that took workers days to rectify on their return. This only demonstrates the enormously strong position that the Cadbury workers are in, and the potential impact of an ongoing strike unshackled by the AMWU bureaucracy.

The *Australian* reported there was a COVID-19 positive case on night shift and that Cadbury were "pleased that there were just three close contacts... A deep clean was undertaken and production has recommenced." In other words, there was minimal disruption to production, and the AMWU initiated no industrial action to ensure workers' safety.

To win this industrial struggle, Cadbury workers need to prepare to take on their own union as well as the company. They need to look at the bitter experiences and learn the lessons of other disputes the unions have sold out.

Cadbury in Australia was originally established more than a century ago as a subsidiary of the British chocolate giant. In 2010, US transnational Kraft Foods bought Cadbury and then, in 2012, spun off Mondelez International as their global confectionery business. The company has annual revenue of \$26 billion and operations in 160 countries. In addition to the two Melbourne plants, the company has a factory in Claremont, Tasmania.

Mondelez International has been working to cut the Cadbury workforce and streamline operations. It has eliminated one-third of the Tasmanian workforce since 2015, now down to 360 jobs.

Chocolate sales and Cadbury profits have soared during the pandemic. “Old Gold,” which is one of Cadbury’s original brands, increased sales by 35 percent over the first 18 months of the pandemic as consumers turned to comfort foods during lockdowns.

The existing agreement has flexible categories of employment to assist Cadbury to maximise profits, with seasonal production variations like Easter eggs. Cadbury claims that 30 percent of its production at its Ringwood factory is seasonal. Flexible Permanent Part-time Employees, Mondelez Contractors and Agency Casuals are categories enshrined in the agreement that AMWU helped enact. Cadbury has unlimited flexibility to grow and shrink its workforce as it pleases.

Cadbury workers need to review the lessons of recent strikes at similar transnational food companies, McCormick Foods Australia and General Mills. In both cases, despite workers’ determination, the unions negotiated deals that fell far short of workers’ demands.

At the McCormick Foods plant in Clayton, Victoria, 100 workers struck for six weeks after 5 years without a pay rise as the company deliberately stalled negotiations on a new agreement. The United Workers Union (UWU) claimed a victory when workers got a 9 percent pay increase over three years but this was after losing at least 10 percent in real wages over the previous five years.

At General Mills, in the Sydney suburb of Rooty Hill, the union abruptly ended a strike by 80 workers after three weeks. The union rammed through a sell-out deal that delivered a pay rise of less than the meagre 3 percent per annum demanded and did nothing to address the other key issues in the dispute—job security and rampant casualisation.

In each case, workers’ needs for substantial pay increases, improved working conditions and secure jobs rather than casual positions were not met. Despite the willingness of workers to take action in the face of

concerted hostility from their employer and under conditions of a global pandemic where workers risk infection every time they leave home to go to work, the main factor holding back workers is the unions.

These sell-out deals are not simply an Australian phenomenon. On the same day that Cadbury workers were on strike last month, the Bakery, Confectionary, Tobacco Workers and Grain Millers International Union (BCTGM) shut down a six week strike of over 1,000 Nabisco workers across the USA. Nabisco is a subsidiary of Mondelez International, Cadbury’s parent company.

The BCTGM forced Nabisco workers to vote on a deal without having any time to study or discuss it. The WSWS reported that workers in Portland and Chicago expressed their disgust at the deal. One worker told the *World Socialist Web Site*, “It’s not a good pay schedule as far as I can see... We have been on strike, at this point, for nothing. To accept the contract as written makes our sacrifice a joke. We didn’t win. The opportunity to advance our strength, as a whole, was wasted.”

Cadbury workers can only win improved wages and an end to long-term insecure casual employment by taking matters into their own hands. A rank-and-file committee must be built at Cadbury’s factories to organise this campaign. They must join with similar committees that are being developed in workplaces and schools around the world. The International Workers Alliance of Rank-and-File Committees (IWA-RFC) initiated by the *World Socialist Web Site* bases this struggle on a socialist perspective and offers the only way forward for Cadbury workers.



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