

USDAW and GMB unions secure below-inflation pay rise at ASDA supermarkets

Kelly Taylor
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Asda have implemented a crippling de facto wage cut for their 123,000 retail staff, a 3.25 percent raise from April 2022, up to £9.55 an hour; part of a 7.35 percent raise over two years, to £10.06 from April 2023.

This leaves workers in appalling conditions of low pay, reliant on overtime and struggling to get by. A recent GMB union survey of 800 ASDA staff found that half were borrowing money from friends and family, and 7 percent had been forced to use food banks. An USDAW union survey of 6,500 retail workers found that 77 percent feel they are less well off than last year, 75 percent have struggled to pay gas and electricity bills, two-thirds are relying on borrowing to pay everyday bills and half are struggling with repayments.

USDAW General Secretary Paddy Lillis (salary and benefits in 2020, £166,000) commented, “Too many low-paid key workers, who kept the country going during the pandemic, are coming out of the crisis feeling much worse off. The government’s promise to ‘build back better’ rings hollow now, with prices increasing and wages not keeping pace with inflation”.

What staggering hypocrisy! The *Daily Mirror* and the *Grocer* report that the ASDA pay deal was agreed with USDAW. The union did so without even a consultative ballot, or an announcement to workers as to what was taking place behind their backs.

USDAW accepted the pay offer knowing the impact the current cost-of-living crisis is having on workers, with inflation in the UK at its highest for thirty years. CPI inflation is currently at 5.5 percent and expected to rise to 7.25 percent by April. RPI inflation is already at 7.8 percent.

The union’s rotten settlement as ASDA follows an even worse 2.7 percent increase accepted last year for Tesco staff, taking effect from September. This takes

retail workers’ wages from £9.30 to £9.55 per hour.

ASDA recognises two trade unions: USDAW represents its UK retail staff and Northern Irish distribution centre workers. The GMB represents around 7,000 distribution workers in Britain and some retail workers.

In a video message early February, the GMB’s National Officer Nadine Houghton denounced the ASDA retail pay deal. She argued in a statement, “Most other supermarkets pay more than £10 an hour—Asda workers are looking at just £9.66 from April... Asda bosses should do better by their hardworking staff who kept the country fed throughout the pandemic.”

The GMB’s “outrage” is a fraud. Houghton holds up the paltry £10 an hour paid by other supermarkets as a gold standard. The rate is so low that recent increases are largely to do with keeping ahead of the minimum wage (£9.50 from this April), with even Tory Chancellor Rishi Sunak suggesting an increase to £10 by the next election.

Increases at other supermarkets have frequently come at the cost of concessions elsewhere. Morrisons took money from workers’ yearly bonus and Sainsbury’s scrapped paid breaks and shift premiums. The rises announced in the last two years are only broadly in line with inflation, meaning workers are treading water.

The GMB makes no call for a fight even to secure an immediate raise to £10. The union’s limited membership among ASDA retail workers is not the reason for its inaction, but an excuse to do nothing. As one worker commented on Houghton’s video, “Well isn’t the union’s job to be sorting this out? I’ve been told because most staff aren’t members of union, the union won’t help out the employee who are. What’s more half the people not in the union can’t afford to be

union members.”

Houghton does not urge workers to organise against the effective pay cut, or mention the rotten role played by USDAW. This is an opportunity to strike an oppositional pose with a ready-made excuse to go no further.

The GMB is already actively engaged in burying the class struggle at ASDA in a years-long legal dispute. In 2014, the union initiated a “Fair Pay” legal case on behalf of ASDA retail staff, saying the mostly female workforce was being discriminated against relative to the mostly male ASDA distribution workforce and calling for an equalization of wages. Similar cases are ongoing at Tesco, Morrisons, Sainsbury’s and Co-Op.

The Supreme Court made a ruling in workers’ favour last March, touted by the GMB as a great victory. The reality is that this is only the first step in a process which will likely take years to complete and may still be legally defeated by ASDA or sidestepped by outsourcing contracts if the case goes against them.

Retail law firm Browne Jacobson commented, “These ‘wins’ are only a small step for the claimants trying to win their claims for equal pay. They still need to be able to show that they performed work of equal value and it is likely that the supermarkets will try to defend the claims on the basis that the difference in pay was as a result of another factor which was not discriminatory such as skill sets, demands and unsociable working hours. Some of these equal pay claims could take years to resolve.”

ASDA workers commented on Houghton’s video, “I always said they would drag the equal pay claim out for years so we would get nothing, this proves me right and very disappointed in GMB!”; “I think the equal pay claim is a bit of ‘never gonna happen’; “So what are you going to do about it [the pay deal]? We pay you to represent us and these terms clearly are unacceptable. Are you going to keep stringing us along with this never-ending equal pay claim? Time to see some action.”

Rather than joining workers in an industrial struggle for improved pay for all, the union focusses attention on a stultifying legal campaign. Its divisive character is underscored by the fact that there is an ongoing dispute involving thousands of ASDA distribution workers, who have just voted by 70 percent to reject a company pay offer and 80 percent in favour of strike action.

Their vote is a rejection of the GMB’s two-year effort to shut the dispute down. Early in the pandemic it was buried in talks at the arbitration body ACAS, resulting in a deal so bad that the GMB was forced to reopen negotiations last September.

Months of negotiations followed before strike action was even mentioned. It was delayed, despite a vote of 94 percent in favour, by an inadequate company pay offer to which the union did not attach a recommendation, while making clear its opposition to a “No” vote. Houghton warned that if workers refused, “You must be prepared to vote for and take part in industrial action to achieve something better. Do not vote to reject this offer unless you are prepared to take that next step”.

The GMB’s actions were part of a broader demobilization of 18,000 distribution workers across ASDA, Tesco and Morrisons, involving the GMB, USDAW and Unite. Workers are ready for a fight and understand they can place no faith in the trade unions. Several commented on Houghton’s ASDA retail pay deal video, “That is such a slap in the face and yet no mention of any action by GMB”; “What’s the point of a union if they can’t get us a decent pay rate, always thought the union was a con and this proves it”; “If strike action isn’t planned I’m leaving the GMB”; “And the union is doing what about it? Oh, nothing. I’ve known members of management laugh, behind doors of course, at colleagues getting the union involved. The words ‘they have no teeth’ have been used to describe them.”

A new leadership and perspective for struggle is needed. A joint fight by distribution and retail workers must be waged through the formation of rank-and-file committees, directly accountable to workers and independent of USDAW and the GMB.



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