

# ASDA distribution workers in the UK vote overwhelmingly for strike action for a third time

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*Are you an ASDA worker? Get in touch to give us your views on the dispute and connect with others wanting to launch a fightback over pay and conditions.*

For the third time in six months, 8,000 ASDA distribution and warehouse workers have voted to strike in an ongoing dispute over pay. Workers delivered an overwhelming 95 percent majority for strike action in the most recent ballot closing May 4. The GMB union reported a high turnout, with every single depot voting in favour.

In a dispute ongoing since last September, workers have now voted for strike action by 94.5 percent in December and 80 percent in another ballot this January-February.

One would think that by this stage the sentiments of ASDA workers were clear and preparations for a strike well underway. But the GMB has other ideas. The latest vote was in yet another “consultative” ballot. GMB National Officer Nadine Houghton responded by announcing the union “will be holding last ditch talks with Asda on Wednesday 11th... We will provide you an update as soon as possible following the talks”. A week has now passed with no update.

Workers initially rejected ASDA’s refusal in December to make any pay offer at all beyond the 1.77 percent for May 2020-2021 and 2 percent for the next year imposed earlier by the arbitration service ACAS. The second vote in February rejected a £0.65 an hour increase for warehouse and clerical workers (4.9-6.1 percent depending on location) and £0.98 (6.4-7.5 percent) for transport workers.

Annual RPI inflation to February was 8.2 percent. It has already shot up to 11.1 percent with no end in sight. A further devastating retail price cap increase for

energy bills is expected in October 2022. The impact of the war in Ukraine, coupled with sanctions against Russia and coming on the back of a broader breakdown of supply chains, is jacking up the price of food, with prices for some staple items increasing significantly faster than the overall rate of inflation. Low-paid workers like those at ASDA are struggling to meet their day-to-day living costs.

ASDA made a “final offer” this April, presenting the same February deal with marginal increases in hourly rates funded out of reductions in workers’ sick pay entitlements. The first three days of sick absence pay would be “reinvested” as an additional per hour uplift of 13 pence. The maximum number of weeks company sick pay can be paid would be slashed by more than half from 26 weeks to 12 for another 5 pence an hour.

According to the GMB’s calculations, “The average warehouse worker would have to work for 13.5 months and have no sickness absence to feel the benefit of this [the 13 pence] increase.” For the 5 pence increase, “It would take the average warehouse worker 67 years to recoup this if they ever had to use this part of their sick pay.”

In other words, the company are now using the dispute as an opportunity to ramp up exploitation. Attacks on sick pay are especially grotesque amid a pandemic which has claimed almost 200,000 lives in the UK. They highlight the employers’ contempt for workers’ lives. In fact, ASDA’s proposals appear specially designed to worsen the impact of COVID-19 on workers, making it financially impossible for them to isolate when infected and scrapping longer-term support for those afflicted with Long COVID.

The deal is so insulting that even the GMB could not

bring itself to put the offer to its members. But it still did not organise a strike, despite having already twice been handed a decisive mandate. The consultative ballot is a mechanism for demoralizing workers while buying time to reach an arrangement with management in behind-closed-doors negotiations. If this is ASDA's final offer, what is there to discuss other than a sellout?

In her statement Houghton draws attention to the fact that what sick pay the workforce currently have was implemented, apparently with the union's agreement, with other strings attached: "The sick pay scheme was brought in at the same time as the increase in productivity for warehouse staff, it was designed to protect colleagues suffering additional workplace stress and potential Musco skeletal issues."

There is an all-out assault taking place against ASDA workers' pay and conditions across all the company's operations. The *World Socialist Web Site* reported in February on the crippling de facto wage cut imposed on ASDA's 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 spread over two years, reaching £10.06 from April 2023.

Research carried out by the GMB in April found that more than half of ASDA retail workers are relying on payday lenders, food banks and borrowing from friends and relatives to get through the month due to these poverty-level wages. It is a tragic irony that food workers themselves should be struggling to feed themselves. The survey of 2,000 workers found that over 70 percent of respondents reported the cost of living was having a detrimental impact on their mental health.

The GMB is also allowing ASDA to proceed with a trial of so-called "twilight" shifts in its shops, leading to the loss of night premiums. All the union has done is advise workers of their employment rights and "raise concerns" with ASDA "highlighting that the hours are extremely unsociable and could impact negatively on family life."

In February 2021, the GMB reported 3,700 jobs were threatened by the closure of two stores (779 workers) and re-organisation of management (1,092 workers) and back-office workers (1,853 workers). In April 2021, when 1,200 ASDA Bakery jobs were at risk, the union promised to "battle hard" but nothing has been heard since.

Attacks on ASDA workers are funding the enormous profits of the company's owners. In February 2021, the supermarket chain was sold by Walmart to the EG Group (founded and managed by billionaires Mohsin Issa and Zuber Issa) and TDR Capital (a private equity firm) for £6.8 billion. Walmart took £2.9 billion out of Asda in dividends ahead of the sale and retains an equity investment.

This April, the *Financial Times* reported ASDA's new owners had increased the value of their initial investment nearly 20 times to £1.4 billion. Bains and Co research suggest the average retail returns between 2009 and 2021 are 1.8 times the original investment. ASDA's core earnings rose 22.5 percent last year to £1.3 billion, according to its annual report, partly achieved through a reduction in COVID-19 "operating costs".

Workers are determined to fight back. Distribution staff have used every possible opportunity offered by the GMB's pathetic "consultative" ballot process to advance a more militant response. But the union continues to conspire with management to divide workers within ASDA—having already worked with Unite and USDAW to carve up a broader movement of supermarket distribution workers—and prevent a mobilisation.

We urge ASDA workers to take their struggles into their own hands and break free from the unions which work tirelessly not for but against them. If the GMB will not wage a fight to defend pay and conditions, then workers must do so themselves.

The owners and shareholders intend to continue reaping financial rewards to the tune of billions while workers are struggling to heat their homes and put food on the table. This cannot be allowed to continue. Rank-and-file committees should be established across ASDA depots and retail stores to unify workers and organise a joint offensive against poverty wages and attacks on sick pay and for safe and comfortable working conditions.



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