

Australia: Coles supermarket workers face union-management attack

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20 March 2024

Retail workers at Coles, one of Australia's two major supermarket chains, are this week voting on a proposed enterprise agreement (EA) that will worsen conditions, increase casualisation and keep wages barely higher than the legal minimum, with no guaranteed annual increases.

The main union covering the workforce, the Shop, Distributive and Allied Employees Association (SDA), is urging workers to accept the sell-out deal. The Retail and Fast Food Workers Union (RAFFWU) is promoting a "no" vote, in an attempt to keep growing opposition to the SDA and its rotten agreement confined within the framework of the union apparatus.

The offer now on the table has been denounced by many Coles workers. It includes a base hourly rate of \$25.27, just \$0.54 above the award base rate—the minimum legally payable to retail workers—and barely \$2 per hour above minimum wage.

The proposed deal would introduce split shifts, meaning workers will be forced to work for up to seven hours without a paid meal break.

The offer does not contain even nominal annual pay increases. Instead, wages in latter years of the agreement would be based on the annual wage review, carried out by the pro-business Fair Work Commission (FWC) in line with recommendations from the federal government.

In each of the past two years, Labor and the FWC have used this process to slash the real wages of millions of low-paid workers, including in retail. Last year, with inflation at 7 percent, award rates were increased by just 5.75 percent. In 2022, the review handed down a nominal pay rise of 4.7 percent, while inflation was at 5.1 percent.

The offer also includes a meagre one-off sign-on bonus of a Coles gift card worth just \$150 for casuals,

\$250 for part-timers and \$600 for full-time workers, who make up only 15 percent of the workforce.

In stark contrast to the crumbs it is offering workers, Coles reported a profit of \$1.1 billion last year, a 4.8 percent increase on the previous year. Woolworths, the other half of Australia's supermarket duopoly, announced profits of \$1.5 billion.

Numerous reports have explained how Coles and Woolworths used supply chain disruption in the first years of the COVID-19 pandemic and the soaring inflation that has followed as a pretext to increase shelf prices way above costs.

As a further means of driving up profits, the supermarkets have slashed thousands of jobs through the introduction of self-serve checkouts, semi-automation of online shopping and increasingly automated warehousing and distribution systems. This has been facilitated through the total collaboration of the unions covering the sector.

The previous Coles retail EA expired in 2020, but Coles, with the complete support of the SDA bureaucracy, refused to begin negotiations for a new deal until late 2022.

The SDA is the main union that has covered retail and fast food workers for decades and has around 200,000 members nationally. The union maintains close working relationships with major retail companies, including paying millions of dollars in fees to employers, which collect dues on behalf of the SDA and ensure that joining the union is essentially a formality for new employees.

In collaboration with the SDA, the major supermarkets and fast food chains have stolen millions of dollars of workers' wages.

The RAFFWU was formed in 2016 in response to widespread anger over these underpayment scandals,

and postures as a “left” alternative to the SDA. But the real function of the RAFFWU, led by career bureaucrat Josh Cullinan, is to channel workers’ anger over decades of betrayal by the SDA and other unions into a “safe” channel that presents no threat to the corporate and political establishment.

The RAFFWU promotes the conception that workers can secure decent wages and conditions simply by joining a more “militant” union. The union carried out limited stoppages late last year, involving around 700 workers at Coles and Woolworths.

In response to the Coles EA offer, the RAFFWU now argues that if workers vote “no” in the first instance then Coles will be forced to come back with a better offer. The union has advanced its own log of claims, including a call for a base rate of \$29 per hour. The union has also called for an end to “junior” rates of pay. The existing award pays workers under 16 years of age just 46.5 percent of the adult rate, although they are expected to complete the same work. This increases to just 71 percent at 18 years of age and only reaches the full amount at age 20.

With current coverage of less than five percent of the 150,000 Coles and Woolworths workers nationally, these claims take on a largely academic character. They are designed to attract enough workers opposed to the SDA’s continual sell-outs to provide a membership base sufficient to grant the RAFFWU leadership a seat at the table with the corporate bosses at Coles, Woolworths and other major companies.

Despite its left talk, the RAFFWU completely accepts and defends the framework of enterprise bargaining and the pro-business industrial courts that has been used over the past four decades to slash workers’ pay and conditions and suppress the class struggle.

The RAFFWU’s aim is to protect this apparatus from any challenge, by posturing as an alternative that does not require workers to make a political break with the corporatised trade unions and the capitalist system they represent.

Coles workers should vote “no” to this rotten EA offer. But that alone will not resolve anything. What is needed are rank-and-file committees of retail workers, democratically controlled by workers themselves and politically independent of any union bureaucracy.

Through such committees, retail supermarket employees can reach out to workers throughout the

food production and logistics chain, and build a unified struggle against the subordination of the interests of essential workers to the profit demands of the corporate elite.

Above all, the fight for decent wages and conditions requires a new political perspective aimed at the establishment of workers’ governments to place the supermarkets, along with the banks and other major corporations, under democratic workers’ control and ownership.



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