

US grocery chain workers heading into significant contract battles in 2025

Kevin Reed

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Grocery workers: Tell us what you want to fight for this year! All submissions will be kept anonymous.

Tens of thousands of grocery store workers are gearing up for contract battles in 2025 against the supermarket chains across the US.

The significant issues in these struggles include: wage increases that keep pace with the rising cost of living, improvements to working conditions such as an end to understaffing and burnout, defense and expansion of healthcare and retirement benefits, implementation of safety and health protections and the defense of jobs in the face of automation.

The employers in the industry are some of the largest corporations in the US. Two of the largest are Kroger (\$150 billion in annual revenue and a stock value of \$43 billion), which is based in Cincinnati, Ohio, and operates 2,750 stores in 35 states and the District of Columbia; and Albertsons (\$72 billion in annual revenue and a stock value of \$11.5 billion), based in Boise, Idaho, which operates 2,300 stores in 34 states.

In December, a federal judge temporarily blocked the planned \$24.6 billion acquisition of Albertsons by Kroger on the grounds that it would lessen competition for grocery shoppers. The companies had announced their plan to combine and create a single entity with 700,000 employees in October 2022.

The consolidation of the grocery store industry has been used to generate profits for Wall Street investors and provide lucrative compensation packages for corporate executives. In 2023, Doug McMillon, CEO at Walmart, earned \$27 million, Rodney McMullen, CEO of Kroger, earned \$15.5 million and Vivek Sankaran, CEO of Albertsons, earned \$15.1 million in total compensation. The CEOs at regional chains also earned large salaries, with Jonathan Weis of Weis Markets earning nearly \$10 million and Jack Sinclair of Sprouts Farmers Market earning over \$9.5 million.

Meanwhile, the gross profits for Kroger in the fiscal year that ended on October 31, 2024 were \$33.9 billion, a 4.26 percent increase over the previous year. These were used to pay out dividends to shareholders and for stock buybacks. On December 19, the company announced a \$5 billion Accelerated Share Repurchase program and an additional \$2.5 billion of capacity remaining for "incremental share repurchases over time."

These enormous sums have been made possible through the exploitation of the 420,000-member Kroger workforce. This has been facilitated by union bureaucrats that operate as agents of

management against workers.

Like their counterparts in other industries, grocery store workers are facing a struggle against not only the employers, but the government and the union apparatus, which includes the United Food and Commercial Workers (UFCW) and International Brotherhood of Teamsters (IBT).

Among the upcoming contract expirations are:

- January and February 2025:

- **Colorado:** Contracts for approximately 17,000 workers at **Safeway** (Albertsons) and **King Soopers** (Kroger) under UFCW Local 7 are due to expire.

- March 2025:

- **Southern California:** Contracts covering 47,000 workers at **Kroger** and **Albertsons** subsidiaries across several UFCW locals are set to expire.

- **Georgia:** The contract for 20,500 **Kroger** workers with UFCW Local 1996 is scheduled to expire.

- April 2025:

- **Northern California:** Contracts for workers at **Lunardi's Markets** (expiring April 12) and **Raley's Supermarkets** (expiring April 19) are approaching their end dates.

- May 2025:

- **Pacific Northwest:** The **Allied Grocery agreement**, covering 30,000 members of UFCW Local 3000 and Teamsters Local 38 across various chains, including those owned by **Kroger** and **Albertsons**, is set to expire on May 1.

- **Indiana:** The UFCW Local 700 contract for 3,800 **Kroger** workers in Indianapolis is due to expire.

- **Seattle:** Contracts with **Kroger Fred Meyer** and **Albertsons** are expiring.

- June 2025:

- **New Mexico:** All retail and meat contracts under UFCW Local 1564, covering workers at **Smith's**, **Albertsons**, **Safeway** and **John Brooks supermarkets**, are set to expire on June 14.

Over many decades, the UFCW and Teamsters bureaucracies have isolated different sections of grocery workers one from the other, betrayed their struggles and forced sellout agreements on them that have included concessions and given the employers everything they wanted.

In the previous round of contract battles in 2022, for example, UFCW officials kept Kroger workers in California, Texas, West Virginia, Arkansas, Louisiana, Indiana and Ohio isolated from each other. The union apparatus forced through successive sellout

agreements even after workers voted the contracts down multiple times in several cases.

While workers were demanding strike action to fight for their interests, including passing overwhelming strike authorization votes, the UFCW blocked the walkouts and forced workers to vote on rotten contracts without adequate time to review the details.

These Kroger sellouts took place several months after the UFCW shut down a strike by 8,000 workers at King Soopers (owned by Kroger) in Denver, Colorado, after 10 days. It then cancelled a strike vote by Smith's grocery chain workers in New Mexico with another sellout.

In the King Soopers contract, the UFCW agreed to starting wages only slightly above the new minimum wage in the city of Denver, increases in healthcare co-premiums and the maintenance of the hated two-tier wage structure. The contract also included a clause that said, if the UFCW negotiates a worse contract at Albertsons or Safeway, then management has the right to unilaterally impose the terms of that contract at King Soopers.

The first round of contracts that are expiring are at Safeway (Albertsons) and King Soopers (Kroger) in Denver, Colorado. Workers have already gotten a taste of the role of the UFCW bureaucrats when the Safeway contract expired on January 5. While Local 7 officials were telling workers in December that the company was proposing "cuts and takeaways," they extended the contract until January 24 without preparing the workers for strike action or spelling out any demands and only making vague references to "workplace improvements and wage increases."

George Fish, a Kroger produce department stocker in Indianapolis and member of UFCW Local 700, has issued his own statement in advance of the contract expiration in May of this year.

On wages, Fish states that "the increase in the cost of living, especially the inflation we've experienced since COVID, that minimally 'livable wage' would be \$18.22 an hour—more than the top of the non-department-supervisor wage set in our last contract of \$17.60 an hour!," adding that, "As union members, we certainly want more than a minimally 'livable wage:' we want, say, 30 percent over such a minimum, which would bring the wage we justly require to—\$23.69 an hour!"

Fish denounced the wages negotiated in the 2022 contract, "which increased by only 10 percent, while inflation of prices reached 25 percent! Yes, fellow workers, we're losing money under our present contract, which is why we must demand much more of the union and Kroger in our upcoming 2025 contract!" He said the workers can justly demand \$24 per hour or more, "so that we're not losing money at Kroger by working!"

Fish also said a COLA (annual cost-of-living adjustment) was necessary, "so that our wages don't fall behind increases in the cost of living," as well as paid sick days, "as you know, right now we have none, so that if we're sick, we're SOL."

He also said his fellow workers demanded that Kroger match the 401(k) pension contributions by 100 percent and that the new contract provide workers with "more time off and vacation time," including paid time off for Martin Luther King Day and Juneteenth. Fish also said workers are demanding that seniority requirements be sped up to get more leave time and that part-time workers should have the same benefits as full-time workers, "so

that Kroger can't play part-timers off of full-timers, a defined path to full-time status for part-timers."

Fish called for workers to discuss these issues amongst themselves and consider "using the strike option if we must," to win these demands. He also pointed out that workers should not accept the claims from Kroger that it cannot afford what workers need and must have to maintain a decent standard of living and work-life balance.

He stated, "After all, in its proposed merger with Albertsons, it's buying out Albertsons with cash! Also, Kroger CEO Rodney McMullen makes a whopping 502 times in pay alone what the average Kroger worker makes! Kroger has done very well under the inflation, we ourselves feel it when we buy our groceries at Kroger, even with employee discounts, so it can definitely do better by us, the backbone of the Kroger system—and its profitability!"

In 2022, grocery workers rebelled against the union officials, with some building rank-and-file committees to take control of the contract negotiations out of the hands of the corrupt union apparatus. These committees began to coordinate rank-and-file opposition to the sellout agreements and break through the isolation of workers at the different locations and turn the fight into a unified struggle against all the grocery chain corporations.

The formation and intervention of rank-and-file committees of the most trusted workers will play a critical role in the upcoming contract battles. Learning from the previous experiences of retail and supermarket workers, as well as those from other industries, rank-and-file committees must take the fight for wages, benefits and jobs to a new level. They must clearly articulate a set of demands and opposing every attempt by the union bureaucracy to sabotage their struggle and impose another round of sellout agreements.

The rank-and-file committees must begin with the understanding that grocery chain workers are fighting the capitalist profit system and that nothing will ever be won or defended without a fight against the multibillion-dollar corporations.

This begins with a recognition that the overpaid bureaucrats who run the UFCW do not represent the interests of workers. The apparatus must be driven out by a new leadership among the workers that is committed to socialist policies, including placing the grocery industry under the control of a workers' government for the purpose of supplying food to the public, not profits for the billionaires on Wall Street.



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