

Australia: Officeworks sacks hundreds of workers

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Officeworks, a nationwide office supplies retail chain owned by Wesfarmers, one of Australia's largest corporate employers, is making hundreds of customer service and back-office employees redundant while shifting many functions to offshore hubs in India and the Philippines.

Officeworks' restructuring is another demonstration of the relentless corporate imperative to lower labour costs, the accelerating deployment of artificial intelligence (AI), and the complicity of governments and trade unions in facilitating the offensive against working-class living standards.

Staff at Officeworks' Western Sydney-based customer service centre were informed late last month that their roles had been made redundant and would be replaced by operations based in Manila.

In addition, the company's technology support subsidiary Geeks2U, together with corporate and administrative functions based in Sydney and Melbourne, will be shifted to Bengaluru, India, in the coming months. Officeworks India has already commenced recruiting for approximately 50 sales, technology and analyst positions at its newly established "global capability centre" there, with the Australian Broadcasting Corporation (ABC) reporting plans to transfer hundreds more.

Internal communications said Officeworks would also start using more AI, automation and data analytics, supposedly to "improve efficiency and decision-making." Earlier this year, Wesfarmers announced two major AI deals with Google and Microsoft, which chief executive Rob Scott claimed was "not about just reducing team member numbers, it's all about making our existing team far more productive and efficient".

These workers have been treated with utter contempt by the management. Workers with up to 20 years of tenure were notified of their redundancies in an online meeting. Geeks2U staff reported seeing their own positions

advertised overseas before any announcement.

Affected employees have been required to fully document their workflows and train the incoming international teams during their final weeks on the payroll.

With some surveys reporting 40 percent of Officeworks employees being between the ages of 20 and 30, the burden on young workers is particularly acute. The official jobless rate in Australia climbed to an almost five-year high of 4.5 percent in April, with youth unemployment surging to 11.1 percent—the highest since the first phase of the COVID pandemic.

Officeworks management aggressively justified the restructuring, citing "rising costs, increasing competition and rapidly changing customer expectations." Workers who spoke to the media condemned the corporate drive to exploit cheap labour for profit. One anonymous employee told the ABC: "The move is about the lower cost of labour overseas compared with Australia."

Officeworks has reported that its revenue increased 3.8 percent to \$3.5 billion in 2025 and profits increased 1.9 percent to \$212 million for the year. But that was not enough for Wesfarmers, which reported overall revenue of \$23.5 billion in the half year to December 2025, up 3.6 percent.

Wesfarmers is one of Australia's largest listed companies, with interests in retail, chemicals, fertilisers and industrial products across the country and New Zealand. Its near-2,000 retail outlets include Bunnings, Kmart, Target and Priceline Pharmacy. Like other Australian-based corporate giants, its shareholding features global investment funds, such as The Vanguard Group and BlackRock, as well as the trade-union linked industry superannuation fund AustralianSuper.

The retrenched workers have been treated with equal contempt by the Labor government and the trade unions covering Officeworks.

When asked by the ABC about the Officeworks moves, an unnamed spokesman for the federal Labor government said nothing about opposing the destruction of jobs, instead taking a nationalist line of saying it wanted Australian companies to put local jobs first.

Labor's total support for the dictates of the corporate elite was put plainly by the New South Wales state Labor government's Finance Minister Courtney Houssos. She told the ABC the decision by Officeworks was simply unfortunate. "It's always disappointing when companies make decisions to move jobs offshore," she said. "I think it's really up to Officeworks to explain that particular decision."

The two trade unions that claim to represent Officeworks employees, the Shop, Distributive and Allied Employees Association (SDA) and the Retail and Fast Food Workers Union (RAFFWU)—which presents itself as a more militant "fighting union" for retail workers—have not even issued statements in response to the retrenchments, let alone proposed any fight against them.

More than 9,000 workers are employed by Officeworks, mainly in its retail network and warehouses, and about 120,000 by Wesfarmers. But these unions, and others that have some warehouse coverage, such as the United Workers Union (UWU), are opposed to any unified struggle.

The union bureaucracy is completely committed to the requirements of the capitalist system, under which every advance in technology and productivity is used to slash pay and conditions, not just in Australia but worldwide. It is intensely hostile to any struggle against the profit system, the only means by which the potential of technological advances, such as AI, can be used to benefit workers, not the corporations.

The Officeworks cuts are far from an isolated case. Companies worldwide are exploiting AI and other technological advances to destroy jobs, while pitting workers in different countries against each other in an intensified race to the bottom in terms of wages and conditions.

As part of this global offensive, Telstra, Australia's largest national telecommunications company, is axing up to 650 roles in favour of operations in India. The National Australia Bank has announced comparable offshoring plans. The pattern is replicated across the corporate landscape in Australia: Banking, insurance, retail and technology firms are systematically transferring office work to international hubs. This includes banks—the NAB, Westpac and CommBank—and corporate consultants,

KPMG and PwC.

Workers cannot defend their jobs and living standards through the trade unions, which have demonstrated at every point that their role is to suppress opposition to the corporate onslaught and defend the capitalist order, under which every technological advance is used to deepen the exploitation of workers and increase the ever-greater wealth of the financial and corporate elite.

The issue confronting workers is not AI technology itself, but who owns and controls it. AI could be used to eliminate onerous tasks and shorten the work week, giving workers more time for family, recreation and cultural activity. But in the hands of the ruling class, AI is being used to intensify the exploitation of workers and increase profits.

The fight against the destruction of jobs requires a political struggle against the capitalist system itself. Workers need their own organisations—rank-and-file committees, operating outside and against the trade union bureaucracies—to coordinate action across borders and industries.

What is required is the independent political mobilisation of the working class on the basis of a socialist program—the expropriation of the major corporations and banks, their transformation into publicly-owned utilities under democratic workers' control, and the reorganisation of economic life on the basis of human need. Only then can the benefits of technological advancement, including AI, be shared by all, not hoarded by the billionaires.

Officeworks employees facing retrenchment should contact the Socialist Equality Party to discuss how to form rank-and-file committees to take forward their fight.

Contact the SEP:

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