

Australia: Union shuts down warehouse strike, imposes sell out

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On Monday evening, the National Union of Workers (NUW) shut down a two-week strike and 24-hour picket by hundreds of warehouse workers in northern Melbourne, at a Toll Holdings-operated distribution centre for supermarket giant Coles. After deliberately isolating and wearing down the workers, while allowing Coles to avoid any significant disruption to its business by stepping up operations in other warehouses, the NUW rammed through a regressive enterprise bargaining agreement (EBA) that meets none of the workers' central demands.

The sell-out operation was consciously organised by the union bureaucracy from the beginning.

When the last EBA for the warehouse, in the working-class suburb of Somerton, was negotiated between the NUW and the company three years ago, a significant number of workers quit the union in protest. This time the union, clearly under pressure from the workforce, initially put many of the workers' demands to Toll Holdings.

Toll, a logistics company with annual revenues of \$7 billion, has been outsourced the employment of the workforce at the Coles-owned warehouse. The central demand of the workers was for equality of wages and conditions with other warehouse workers employed by Coles.

The NUW's initial log of claims included a 7 percent wage rise every year for three years, a capped ratio of one casual worker per ten permanents, all casual workers to be made permanent after three months, the payment of full shift loadings for afternoon and night shifts, and the introduction of rostered days off (RDOs). Other Coles warehouse workers receive these conditions, with many also earning over \$4 an hour more than the Somerton workforce.

The NUW shut down the strike without Toll meeting any of the above demands. Under the new EBA, the workers will receive three annual wage increases of 3.5 percent, 3.25 percent, and 3.5 percent. This means the Somerton workers will receive \$27.55 an hour in 2015—less than other Coles

warehouse workers *currently* get.

Moreover, during the strike, Toll issued a written statement offering the Somerton workers a 4 percent wage rise every year for three years. The union, in other words, negotiated this offer downward, to 3.25 and 3.5 percent. "There is no doubt, in order to make certain we won these conditions of equal treatment, there had to be some give and take," NUW secretary Tim Kennedy declared.

In fact, there is no "equal treatment" under the new EBA. The NUW agreed that instead of payment of full shift loadings for afternoon and night shifts, the Toll workers will receive a so-called family allowance. This additional payment is significantly less than the standard loadings at other Coles warehouses, of 17.5 percent for afternoon shifts and 30 percent for night shifts.

An even more blatant sleight of hand was carried out on the issue of RDOs. The Somerton workers will be eligible for just nine "accrued days off" a year for day shift workers and five days for afternoon and night workers. These accrued days are paid for by the workers, whose lunch break has been cut by 10 minutes, to just half an hour. Day shift workers must now also begin work five minutes earlier.

The NUW bureaucracy's agreement to this erosion of workplace conditions underscores its contempt for the Somerton workforce. Longer shifts will see more injuries. The physically demanding work and intense pace enforced by company management is already responsible for a spate of serious repetitive strain injuries, joint problems and muscle strains.

The agreement contains no restriction on the ratio of casual labour exploited by Toll. One clause states that casuals "shall be eligible" to become permanent, subject to such a position being available, after nine months. This commits Toll to nothing, and leaves it a free hand to simply sack and replace casuals who demand a permanent place after nine months.

Toll's corporate affairs manager, Andrew Ethell, insisted that the company's offer had not altered during the strike. "It remains an effective 4 percent annual wage rise over three years," he explained. "Arriving at this final negotiated agreement has resulted in shuffling the structure of how wages and conditions will be allocated, effectively reducing some conditions in order to be able to increase others."

The NUW could only impose such a miserable sell-out after isolating and wearing down the strikers for two weeks. The workers demonstrated enormous determination and courage, blocking Coles' trucks on the picket line and defying both management threats and an intimidating police presence on the picket.

But Coles, with the union's complicity, simply increased the work rate at its other warehouses. Coles spokesman Jim Cooper told the *Supply Chain Review* web site yesterday: "By and large our contingency plans worked extremely well and we saw very little impact on shelves in stores as a result of the Somerton distribution centre dispute."

On July 11, Coles workers were stood down at a distribution centre in Goulbourn, New South Wales, after refusing to work extra hours to cover the Somerton shutdown. This act of solidarity was immediately declared illegal by the Labor government's Fair Work industrial tribunal, which prohibited any form of industrial action for three weeks at the Goulbourn warehouse and at another Coles facility in Sydney's Eastern Creek, where the *Age* reported that several hundred packing and storing staff refused to do extra shipping work normally done at Somerton. The NUW complied without protest. Union officials similarly obeyed a July 16 Supreme Court edict banning them from involvement in the picket and instructing them to tell NUW members not to block trucks outside the warehouse.

The Somerton workers were left by themselves on the picket, without receiving strike pay from the NUW. A significant number of the strikers had young families and mortgage payments to meet; one told the WSWS last week that his family was down to its last \$600 in savings. Several workers yesterday told the WSWS that by the time the NUW called the mass meeting on Monday, announcing its deal with Toll, many strikers were desperate to return to work for financial reasons.

Before the meeting began, workers had about five minutes to read a summary of the proposed EBA's terms. Only union officials and delegates participated in the discussion before a vote was held. The deal was approved without any votes registered against. Several workers abstained, however, reflecting widespread unease among the workforce over what happened.

"I am not happy about it, but what can you do?" one worker told the WSWS. "I wanted to hold out longer, but I understand people are tiring and over two weeks ... it was getting tough. The security cameras [installed by Toll for surveillance of the picket] are there, and management knows numbers were 'dropping off the line', so they knew they could force an agreement."

The overriding priority of the trade unions throughout the Toll-Coles dispute was to prevent the emergence of a political struggle against the state Liberal and federal Labor governments, which stood squarely behind Coles and Toll.

In this, the NUW was backed by the pseudo-left organisations. Socialist Alternative functioned as the chief cheerleader for the union bureaucracy throughout the dispute; now the organisation has hailed the sell-out as a "victory." The Socialist Party is yet to write on the outcome, but it posted an article on its web site on Monday, just hours before the agreement was imposed, urging the Victorian Trades Hall to organise flying pickets at every Coles warehouse and to "mobilise all their affiliates and call for a mass community assembly at Altona tomorrow." After these pathetic entreaties to the union bureaucracy, the Socialist Party regretfully concluded: "Disappointingly the NUW leaders have so far responded at a glacial pace."

The Somerton dispute again demonstrates that workers are unable to take a single step forward in defence of their jobs, wages and conditions so long as they remain under the subordination of the trade unions. Workers need to form new organisations of struggle, including rank and file committees in every workplace, and develop a united struggle against the accelerating corporate-government offensive against working-class living standards.

Above all what is required is the building of a new party of the working class—one based on a revolutionary socialist program that fights for the formation of a workers' government and a socially equal and democratic society. This is the perspective advanced by the Socialist Equality Party. We urge Toll workers to contact us and develop the discussion on the political lessons of your betrayed struggle.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact