

# Australia: Woolworths workers at four warehouses set to strike over pay and conditions

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More than 1,500 workers at four Woolworths supermarket and liquor warehouses walked off the job last Tuesday, holding one-hour stop-work meetings calling for a campaign of industrial action over wages and conditions. The actions, including indefinite strikes, are set to begin on Thursday.

Of the four sites involved, three are in Victoria: Melbourne South Regional Distribution Centre (MSRDC) in Dandenong South, Melbourne Liquor Centre in Laverton and Wodonga Regional Distribution Centre. The other, Erskine Park Distribution Centre, is in Western Sydney, New South Wales (NSW).

Workers at Lineage Cold Storage in Laverton, which supplies Woolworths as well, have also voted for industrial action, which will start on Friday.

The dispute is part of negotiations for new enterprise agreements at the warehouses. The company has offered workers nominal pay rises of 10 percent over three years at MSRDC, 12.1 percent over four years at Melbourne Liquor, 7.1 percent over two years at Wodonga and 12.05 percent over three years at Erskine Park.

As part of the enterprise bargaining process, workers are seeking pay equity across the facilities. Under existing union-brokered enterprise agreements, wage rates differ substantially between locations.

Currently, entry level workers at Erskine Park are paid just \$29.60 per hour, compared with a starting rate of \$33.43 at MSRDC. However, the top rate of pay at MSRDC is just \$34.56, compared with \$43.30 at Melbourne Liquor and just over \$38 at Wodonga and Erskine Park.

Workers are also demanding an end to Woolworths' punitive performance management "Framework." Under the system, employees are closely monitored and timed in every aspect of their work, with mandatory retraining and other disciplinary measures, including termination, for those who fail to measure up to the company's "engineered standards."

While the workers are demanding pay rises of between 10 and 12.5 percent per annum, public statements by the UWU

leadership make clear that the union is already preparing to sell them out.

UWU national secretary Tim Kennedy told the *Australian*: "[The company] are going to have to be at least a percent or a percent-and-a-half higher [than the current offer] and they could do that easily."

In other words, Kennedy and the UWU leadership are ready to let Woolworths off the hook with nominal pay rises of little more than 3 percent per annum—the same increase over the entire duration of a two-to-four-year agreement as workers have demanded in a single year.

The latest official quarterly figures from the Australian Bureau of Statistics (ABS) show inflation at 2.8 percent. But this is artificially low as a result of temporary electricity bill rebates, without which the headline consumer price index (CPI) would have been 3.2 percent.

Even that would be a fraction of the real increase in the cost of living confronting the working class. Another ABS measure, the "employee household" living cost index, which, unlike CPI, includes mortgage repayments, rose by 4.7 percent over the past 12 months.

Moreover, the current figures come on top of three years of soaring living costs. In the year ending September 2021, the CPI rose 3 percent, in the next 12 months, 7.3 percent, followed by 5.4 percent in the year to September 2023.

Over the same period, most workers at the Woolworths warehouses received cumulative nominal pay rises of between 8 and 12 percent. Only at MSRDC, where "skilled workers" earn the least, have total pay increases—15.2 percent since 2020—come close to meeting the official inflation rate.

Neither the company's offer, nor the UWU's 3.5–5 percent per annum compromise figure would even begin to address the real losses incurred by workers as a result.

What the UWU is preparing is a major betrayal. Workers voted overwhelmingly in favour of strike action, but before they have been allowed to even begin their struggle, the

UWU bureaucracy is offering management a compromise that will leave workers earning less in real terms than they were a decade ago.

Kennedy told the *Australian* that, should it proceed, the action “will be on a scale that we actually haven’t seen before if it goes ahead at four sheds at once.”

Intended as morale-boosting rhetoric, this is in fact a revealing statement about the role played by the UWU and its predecessor—the National Union of Workers (NUW). In every previous dispute involving the major supermarket chains, Kennedy was tacitly admitting, the union leadership has isolated workers in individual warehouses, limiting the impact of any industrial action and allowing management to pick them off one workplace at a time.

This was sharply expressed in the 2020–2021 dispute at Coles’ Smeaton Grange warehouse in southwestern Sydney. The entire workforce of more than 300 was locked out by management for more than three months, after taking minor industrial action to demand a pay rise and improved redundancy arrangements—a critical consideration as the facility was already slated for closure.

The UWU insisted that the shutdown of the facility and the destruction of jobs was an inevitable part of Coles’ move to increasingly automated warehouses. But even the union’s initial posturing around “fair redundancies” and an above inflation pay rise was quickly revealed to be a fraud.

The union allowed Coles to avoid disruption through the use of pop-up warehouses and increased volume at other distribution centres, where workers, including UWU members, were not even aware of the lockout. As well, the UWU sought to starve workers out with no strike pay. This brought the workers, who were determined to fight, into conflict with the UWU bureaucracy, repeatedly voting down the virtually unchanged union-management offers, even after the union declared the dispute over.

Eventually, the UWU was able to push through a sell-out deal, but the incipient rebellion of workers against the bureaucracy was taken as a warning by the union, management and the political establishment.

While the UWU falsely declared this result a resounding victory at the time, the Smeaton Grange dispute is omitted entirely from a recently published timeline celebrating the fifth anniversary of the union’s formation through the merger of the NUW and United Voice, despite being one of the most bitter fights in the union’s short history.

This was a significant experience, but it was by no means an anomaly. Acting as the enforcement arm of management, the UWU leadership was carrying out the same sort of sell-out operation perpetrated by all the unions, time and time again.

What was notable about Smeaton Grange was the

determination of workers to take on the bureaucracy and prevent such a betrayal. But determination alone is not enough.

To avoid a sellout, Woolworths workers need to cut an independent path. Rank-and-file committees, democratically led by workers and independent of the union leadership, must be built in every warehouse.

These committees will have to take on not just the company, but the UWU bureaucracy, which is already talking about “compromise.”

Workers must be prepared to reject any concessions deal promoted by the union, and insist that the industrial action they voted for proceeds until the company meets all of their demands.

They must be ready for the UWU leadership to use every tactic to undermine their struggle and shatter their resolve. These will likely include the denial of proper strike pay, and isolation from workers in other warehouses, allowing the company to reorganise its operations to minimise disruption.

To combat these methods, Woolworths workers need to turn for support to their counterparts in the company’s warehouses elsewhere, as well as throughout the logistics industry and more broadly.

What is needed is not just an industrial fight, but a political one, against every component of the capitalist state apparatus, including Labor and the union bureaucracies. Labor governments across the country, in which the UWU is an integral part, are spearheading a major assault on real wages throughout the working class, while overseeing a massive surge in the cost of living caused by the rapacious profits of largest corporations, including the major supermarket chains.

This poses the need for a unified struggle based on a new political perspective—the fight for a workers’ governments, to implement socialist policies. Woolworths and Coles, along with other major corporations and banks, must be placed under public ownership and democratic workers’ control. This would allow the reorganisation of society’s ample resources on the basis of human need, not the profit interests of the wealthy few.



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