

# ORGANISING TO WIN

Bulletin in support of locked out workers at Progressive Enterprises (Foodtown, Countdown, Woolworths) supply chain distribution centres

## BACKGROUND

The company, Progressive, is a huge firm (NZ\$1.2 billion profit last year) with a hard-nosed attitude to unions. In Australia, where it is based, it only has site agreements, no national agreements.

In 2003 the Auckland and Christchurch Woolworths distribution centres were closed rehiring the redundant workers on worse conditions. These closures ended the Woolworths National Agreement. There were cuts in pay and conditions for workers transferred to other distribution stores.

So getting a national agreement and increasing wages is especially important in this struggle in New Zealand. Workers are claiming an 8% wage increase and allowance parity between the four distribution centres, not 30% as the company has claimed in its advertising campaign.



A two-day strike began on August 25 in support of the claims. The company issued suspension notices (as they have to in a strike to avoid paying wages) with a condition that the workers could only return to work if they agreed to no other action like overtime bans. In response to this indefinite suspension the workers voted unanimously to stay on strike. The company immediately locked the workers out.

## 1ST WEEK

Very staunch lively pickets continued outside the distribution centres and in Auckland the pickets have been around the clock. The public driving past tooted in support 99% of the time. Activists turned up, so did other delegates to support. The picket provisions were well-organised, and cheap food was sourced. The workers have been assisted by the Combined Beneficiaries Union to get any benefits they might be entitled to while locked out.

The company began distributing from other stores, mainly supermarkets with underground car parks. Workers went on flying pickets stopping drivers delivering to stores. These were successful in stopping at least 50% of drivers. The difficulty is keeping up pickets at so many stores. Trucks can be stopped but when the picket goes deliveries resume.

From Dunedin, a local Workers Party activist, who is an NDU delegate who works at Countdown, wrote on Friday 1 September: "Progressive is turning the produce loading bay at my work (Countdown Dunedin Central) into a temporary distribution centre to supply all of their other Dunedin supermarkets (with managers driving rental trucks carting the stuff away to their respective stores), so this afternoon after finding out about this the NDU organiser (Ken Young) and I went down and blocked off the entrance to the temporary DC with Ken's car and set up an official NDU picket line banner.

"Within seconds of arriving our acting store acting manager asked me to leave, but I said we wouldn't cos they were doing the work of locked out workers, so she called the cops on us. About ten minutes later two carloads of cops turned up to threaten us with arrest for trespass if we didn't leave! Also apparently I am to be "summonsed" to a disciplinary hearing next week. At least before we left though the photographer from the *Otago Daily Times* managed to get a few photos and grab our contact details."

In Christchurch, a strong picket at Countdown in Beckenham that night was met with a big turnout of police, with long batons and a picketer was arrested. Local residents came out and there seemed a good bit of support for the picket.

"Everyone's determined," says Dwayne, one the distribution workers in Christchurch and a member of the EPMU. He said the picket in Shands Road, Hornby, outside the main distribution centre, gets a lot of support from passing drivers. One morning last week a car went by and a young girl, about ten, held up a placard she'd made at home supporting the workers.

### **AROUND THE COUNTRY**

An NDU official will be speaking at a stopwork meeting of the university union at Canterbury University next Monday to appeal for support. Some university union members at Canterbury and Lincoln have already gone along to the pickets to show support and provide some food.

A march in the centre of Auckland with the locked out workers, their families and supporters is planned for this coming Saturday. That can rally public support and show the faces of the other people affected.

As of the same weekend supermarket workers can legally take industrial action around their own collective bargaining. Around a quarter of the workforce in the supermarkets are union members. Already the company has threatened that any strike action will result in workers being locked out.

### **CURRENT SITUATION**

Across the country, all Progressive supermarket stores have big gaps on the shelves now. Reports are that sales have dropped 5%, mainly in teabags, porridge, peanut butter, coffee and toilet paper. An industry analyst estimated the company would lose 30-50% of its profit this year from the strike, but warned "The negotiation round could have huge impacts nationally. . . If the supermarket caves in it's going to be open slather for the unions around the country". (*NZ Herald* 3.9.06). In other words, employers in New Zealand, who have had it almost all their own way for the past 20 years, are worried that a victory for workers in this struggle will inspire other workers.

And no wonder they're worried. Over the past 20 years, real wages in New Zealand have fallen by around ten percent, while the wealth of the couple of hundred richest individuals and families has skyrocketed. In just the last seven years under Labour, this tiny handful of people have seen their wealth rise by over 300 percent. These few hundred people now have wealth of approaching \$35 billion! Profits are booming, while real wages are being held down.

At mediation a few days ago the company continued its absolute refusal to discuss a national agreement. Despite the union offering all sorts of "ways forward" that weren't big demands and allowed facing-saving, the employer was not interested. They want to grind our faces in it.

The company is extremely wealthy and powerful but each day the industrial action leaves even bigger gaps, more lost customers, and an ebbing away of market share to their rival supermarkets. Unions are coming forward with messages of support and donations. One of the first was the Maritime Union who gave \$10,000. In two days 2000 protest emails were sent to the company through the international union website [www.labourstart.org](http://www.labourstart.org).

Right now, the pressure needs to be kept up and active support sought from other groups of workers and supporters, getting them to join us on the picket line, help with food and fundraising, and doing whatever they can to help put the squeeze on the company.

**Donations can be made to the National Distribution Union at the BNZ account:  
02-0200-0217968-00 with the reference "Lock Out" or by phoning 0900 LOCKED OUT**

This bulletin was produced by the Workers Party: [www.workersparty.org.nz](http://www.workersparty.org.nz)

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