



REGRESSIVE

Unions Respond to Misleading Progressive Advertising

Shelving gap due to lockout over pay gap (29th August 2006)

Dear Customer and Community

As you may well be aware, 500 NDU and EPMU members at Auckland, Palmerston North and Christchurch Distribution Centres supplying Countdown, Foodtown and Woolworths supermarkets have been locked out by their Australian-owned employer, Progressive Enterprises (owned by Woolworths Australia) until they agree to abandon their claim for a national collective agreement.

The lockout follows the indefinite suspension of workers (unless they returned to normal work duties) after commencing a 48 hour strike.

Workers are claiming an 8% wage increase and allowance parity between the four distribution centres.

The difference in allowances between workers doing the same work result from the Progressive Enterprises take over of Woolworths NZ in 2002 and the subsequent closure of the Auckland and Christchurch Woolworths distribution centres.

Progressive rehired the redundant workers on the lower pay (up to \$3 less per hour) and conditions (i.e. ending almost all allowances) of the Progressive Shands Rd Supply Chain and ended the Woolworths National Collective Agreement.

Workers at Palmerston North retained the pay and allowances of the original national agreement as the company could not find another location for a new distribution centre and therefore could not legally rehire workers on lower rates.

Since 2003 the National Distribution Union and the Engineering, Manufacturing and Printing Union have brought pay rates back into alignment, but allowance disparity means that Christchurch workers earn \$1.80-\$2.00 less per hour than Palmerston North workers with Auckland workers earn 80c-\$1 less per hour.

The NDU represent 98% of Progressive Supply Chain distribution workers along with the EPMU, 80% of Progressive's meat processing workers along with the Meat Workers Union and 25% of Progressive supermarket workers.

Woolworths Australia is the largest retailer in Australasia and recently announced a 24.3% increase in profits of \$1.5 billion dollars (A\$1.1 billion) and expects sales to increase by 8-12% next year.

Australian distribution, meat processing and supermarket workers earn up to 35% more than their kiwi co-workers (who do the same job) despite food prices being generally cheaper in Australia.

We are calling on customers and communities to support the locked our workers.

Donations can be made to the National Distribution Union at the BNZ account: 02-0200-0217968-00 with the reference "Lock Out".

Yours sincerely

Laila Harré

National Secretary, National Distribution Union (NDU)
Representative of Foodtown, Woolworths and Countdown supermarket, distribution and meat processing workers.

