GMB YOUR VOICE IN ASDA

FEBRUARY 2023

'MIDDLE' PAY RATE CONSULTATION

Dear members,

You will have been briefed by now of ASDA's new rates of pay coming into effect this year, with an increase to £11 in April, and a further increase to £11.11 in July. This also comes with the announcement of an end to the bonus scheme after 2023.

However, colleagues working in 39 stores were briefed at the same time of a proposal to remove their location premium, known as 'middle rate'. Many of these are stores that sit predominantly around the London area, but outside of the M25, and hourly paid colleagues working there attract a premium of an extra 60p per hour.



ASDA argue that there is "no longer a consistent rationale for a 'middle band' location supplement and it is now out of line with the market". When asked why the middle band supplement was originally introduced, ASDA were unable to give an explanation.

GMB London Region know that many of these impacted stores have a very high cost of living in their area, in places such as Cambridge, Oxford, and Milton Keynes. Other stores are in areas that are a commuter zone for travelling into London and therefore have far higher rent prices, such as Slough, Hatfield, and Harlow.

Our immediate view is that it is misleading to suggest that there is no reason for this location supplement to continue existing, and know that our members would be facing a real-terms pay cut, even with the £11.11 rate of pay, due to inflation being over 10%. The cost-of-living in these areas is higher than other stores, and its clear that ASDA's competitors do pay a premium in some of the impacted areas.

GMB London Region has meetings scheduled with ASDA to discuss the consultation, and we will be contacting and speaking with our impacted members to gather feedback, concerns, and challenges to the proposal.

If you are impacted by this issue and would like assistance, or you are seeking support or advice on other matters, please contact our office directly at 01603 626492, or visit our GMB Members' Support Centre at www.gmb-asda.com/support

GMB ASDA London Region

For assistance visit the GMB Members Support Centre www.gmb-asda.com/support