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FIGURE 2

Woolworths warehouse automation set to eliminate 700 jobs in Sydney and Melbourne

By business reporter Michael Janda

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Woolworths says there will be at least 26,000 fewer truck movements a year through Sydney because the new centre will have a rail connection. (Supplied: Woolworths)



Around 700 jobs will be lost as Woolworths automates key logistics facilities in Sydney and Melbourne.

There are currently about 1,350 people employed at warehouses in Minchinbury and Yennora in Sydney, and Mulgrave in Melbourne. All three centres will be closed in 2025.

Woolworths said that less than half those workers – just 650 staff – would be needed to run its new automated and semi-automated distribution centres, which would be located in the southwest Sydney suburb of Moorebank.

However, Woolworths will retain its current temperature-controlled operations at Minchinbury which will continue to employ about 400 people.

The new Moorebank centres will be owned by Qube logistics and initially leased by Woolworths for 20 years.

Woolworths is planning to invest \$700-780 million in the technology and fit-out of the new distribution centres, while Qube will invest between \$420-460 million to build them.

The centres are targeting a five-star green rating with the inclusion of solar panels, LED lighting and rainwater harvesting.

Woolworths said the construction phase would employ about 1,500 people.

'Fewer trucks, faster restocking'

It is connected by rail to Port Botany, and Woolworths said it will mean at least 26,000 fewer truck movements per year on Sydney's roads.

Key points:

- Woolworths will close three warehouses with a total of 1,350 staff, redeploying some workers to 650 new roles at Moorebank
- The company is investing up to \$780 million in the fit-out and technology of new centres
- Woolworths says the new facilities will allow faster restocking and provide a wider range for customers