

British postal workers face political struggle against Brown's Labour government

By Socialist Equality Party (Britain)
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Even as it announced the second 24-hour national postal strike commencing this evening, the Communication Workers Union (CWU) was doing its utmost to stab its members in the back.

Postal workers voted overwhelmingly for strike action against Royal Mail's offer of a 2.5 percent pay rise and plans to cut some 40,000 jobs and close post offices. On June 29, tens of thousands of Royal Mail employees took their first 24-hour action, halting postal deliveries throughout the country for the first time in 11 years.

If there is a determined mood for a fight amongst the rank and file, it is with good reason. The pay offer is almost half the rate of inflation, under conditions in which rising interest rates are adding significantly to housing and living costs. The precarious financial situation facing millions of working people is especially pronounced amongst postal workers, who are amongst the poorest paid in Britain. The continued liberalisation of the postal market, moreover, threatens job losses far in excess of the 40,000 already cited.

In contrast to the sentiment amongst the rank and file, the CWU has made clear its readiness to reach an agreement with Royal Mail that will have disastrous consequence for its members.

Earlier this week CWU Deputy General Secretary Dave Ward made a craven plea to Post Office Chairman Alan Leighton to become personally involved in "meaningful negotiations," in return for which the union would call off the strike.

Multimillionaire Leighton was appointed in 2003 by former Prime Minister Tony Blair with the specific remit of "modernising" Royal Mail at the cost of tens of thousands of jobs and the scaling back of postal services. While Leighton insists there is no money for a decent pay rise, the company's chief executive Adam Crozier draws a salary of £790,000 a year. His bonus in 2004/2005 was £2 million.

"The CWU agree modernisation is essential," the CWU's Ward wrote. But he cautioned Leighton that improved

efficiency could only be achieved "by taking the workforce with us" and "working together to face up to the challenges of competition."

Ward's assurances make plain that the CWU is seeking to utilise the anger and militancy of its members only insofar as they cannot hold it back and with the sole aim of securing its own place at the table, after which it will impose all the attacks demanded by Royal Mail in the name of "modernisation."

It is impossible to protect postal workers' pay and job security, and to defend a decent, universal postal service, if one accepts the "challenges of competition." After all, it is precisely these competitive "challenges," in the context of a global communications market, that are behind the current offensive against wages and conditions.

The CWU is well aware of this. The latest round of cuts has not come out of the blue. They are part of a longstanding offensive aimed at privatising Royal Mail that has already resulted in the loss of more than 50,000 jobs in recent years and seen services scaled back.

There are now 18 other companies competing against Royal Mail. Competition is especially intense in the profitable business mail sector, where Royal Mail's share of the market has fallen by 40 percent. Recently it has lost profitable contracts with Prudential, Amazon and the Department for Work and Pensions.

Royal Mail argues that its employees are paid 25 percent more than those working for the private sector post services, which gives some indication of how "liberalisation" has been used to drive down workers wages. "We are no longer a monopoly—people have other options. Our competitors are much more efficient and can undercut us on price," Leighton has insisted.

His statement is significant.

Comparisons have been drawn between the postal dispute and the miners' strike of 1984-85. At first glance, these seem overstretched—postal workers are currently involved in a series of 24-hour stoppages, whereas the miners' strike lasted for one year.

But there are important parallels and lessons to be drawn from the earlier struggle of the miners.

Mining in Britain was a nationalised industry and its destruction heralded the beginning of the mass programme of privatisation of public utilities and industries by successive Conservative and Labour governments.

The postal service is one of the few remaining state-owned enterprises and it too must face privatisation, or at least be run on market principles as a reduced but profitable service that also allows other private companies to exploit the postal market.

As the *Guardian* put it, “Is the Royal Mail one of the last great public services, the owner of 113,000 post boxes and 33,000 red bicycles, visiting almost every address in the country, however remote, most days of the week? Or is it a commercial company, competing with private rivals and losing business to them fast?”

The *Telegraph* was more explicit. “UK mining was impossible to justify and defend on the scale it was operating back then, just as the Royal Mail is now,” it warned. If Royal Mail was to avoid “becoming as irrelevant as the National Coal Board,” the CWU must be “in partnership with management to create a modern business with a chance of thriving, instead of one that’s barely surviving.”

As Ward’s letter makes clear, it is for precisely such a “partnership with management” that the CWU strives. The union backed Gordon Brown for leadership of the Labour Party, despite the fact that, as chancellor, he had agreed to Royal Mail’s “modernisation” plans.

The Labour government has pressed forward the privatisation of postal services even more determinedly than the Conservative government it replaced. In 2005, the government deregulated the UK postal market—three years ahead of the timetable set by the European Union. This was to ensure that private capital in the UK would be able to take full advantage of the deregulation of postal services across the continent, scheduled for 2009. Just yesterday, the European Parliament approved the plans for the erosion of universal postal services that will lead to significant cuts in a sector currently employing more than five million people.

The plans centre on the abolition of the so-called “reserved area,” whereby operators retained a national monopoly on letters weighing less than 50 grams in Europe. The operation of national monopolies in this reserved area previously provided for a Universal Service Obligation (USO), under which all EU citizens were entitled to have their mail collected and delivered at least once a day, five days a week. Private operators will now be able to enter this lucrative market, 85 percent of which is business mail, creaming off the most profitable areas without having to comply with the USO.

This will make the task of meeting the USO ever more costly to national carriers and must inevitably result in its abandonment.

In a sop to concerns about jobs losses and provision, the European Parliament called for a two-year delay on liberalisation, to 2011, but proposed a reciprocity clause under which countries that have fully deregulated their postal services would be able to bar operators from countries that have not done so from entering their markets.

The move opens the way for a frantic scramble for profits across Europe at the direct expense of workers’ jobs and wages, and the population at large. In February this year, the European Commission launched an inquiry into the UK government’s funding of Royal Mail through non-commercial loans, after complaints reportedly received from the company’s main European rivals, Deutsche Post and the Dutch mail company TNT.

Vital political lessons must be drawn from the miners’ strike. It is impossible to defend either postal jobs or the service itself under a union leadership which accepts as its starting point the interests of capital and the need to be competitive.

Postal workers are involved in a political struggle not only against Royal Mail, but against the union bureaucracy and the Labour Party—the very forces that allowed the ruling class to decimate the mining industry. They must reject all attempts by the CWU leadership to limit their struggle to appeals to Prime Minister Gordon Brown to change course. Labour is a party of big business that is deaf to such entreaties. Not a single job, service or condition can be safeguarded outside of a political mobilisation against the Labour government.

Moreover, this is a fight that cannot be limited to a sectional dispute with the Royal Mail. Postal workers throughout the continent are being urged by their unions to sacrifice jobs, wages and conditions in order that their employers can secure market share.

Instead, Royal Mail employees must actively seek to forge a united rank-and-file offensive in opposition to the CWU leadership and their counterparts on the continent. Postal workers can and must be united on the basis of socialist policies, insisting that vital public services are run in the interests of the entire population and not the major shareholders.



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