

UK postal union calls national strike ballot after collapse of phoney talks

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Less than 12 weeks after the Communication Workers Union (CWU) refused to act on a 97 percent strike vote by Royal Mail workers, the union has announced a fresh national strike ballot for the two weeks from March 3rd through the 17th.

Terry Pullinger, CWU deputy general secretary (postal), announced the ballot in a video posted to the CWU's Facebook page February 4, declaring, "We offered a period of peace to de-escalate the tensions and have had some decent talks with Royal Mail...but unfortunately their response to that was, 'we'll have talks, but we're carrying out the executive action that's currently taking place.'"

This "period of peace" and "decent talks" were the CWU's gift to Royal Mail—paid for by the unilateral cancellation of a strike that would have severely hit the company in the run-up to Christmas. The CWU then accepted a nakedly biased High Court injunction banning the strike during the November-December general election campaign—with officials justifying their capitulation by holding out the prospect of a Jeremy Corbyn-led Labour government.

Even after Corbyn's two-faced posturing as a leader "of the many, not the few" was rejected by an increasingly disillusioned electorate, the union entered talks with Royal Mail Group (RMG), despite CEO Rico Back having already announced that a five-year "turnaround" plan would be imposed. Back's five-year strategy aims to transform RMG into a parcel delivery service to rival Amazon, Hermes and DHL, through the imposition of sweatshop conditions and gig-economy-style casualisation.

The CWU never had any intention of leading a fight for jobs, conditions and pay. They cynically used the strike vote as a bargaining chip to try and force RMG to the negotiating table, calling for the retention of the 2017 Four Pillars Agreement, which included a range of cost "efficiencies" to the detriment of workers but which guaranteed the CWU a seat at the table.

In his video interview, Pullinger repeatedly urged RMG to resume talks, alluding to the "savings they may make" under the Four Pillars Agreement. "We are open to talks with Royal Mail, but they've got to stop this executive action," he implored.

Asked if he had a message for CWU branches and reps, Pullinger replied, "There's got to be something where our

members can vent their anger. They are very angry people."

The union is seeking to dissipate anger among the workforce and stem opposition over the union's refusal to honour last year's strike mandate. In recent weeks, local disputes have erupted in Merseyside and Inverness over management victimisations and bullying, while at least one local CWU division called for "further debate" on the dispute in response to widespread anger over the strike's cancellation.

CEO Back issued a statement on February 6: "We want to reach agreement with CWU; but we cannot afford to delay this essential transformation any longer. So we are proceeding with key national trials and local initiatives." These include the roll-out of an automated parcel-sorting hub at Warrington—the first of three—with the capacity to process 40,000 parcels per hour for next-day delivery.

The company would proceed with its £1.8 billion investment plan, including "a range of much needed local change initiatives and key trials, which have been held up for many months." Details of "additional mitigating actions" would be announced in May when end-of-year results are posted. Among the "initiatives" previously trailed is the introduction of smart cards that would track postal workers' movements.

RMG's turnaround plan is being dictated by financial markets that have intervened aggressively to force change. The company was dropped from the FTSE 100 at the end of 2018, losing its blue-chip status, while the value of RMG shares has plunged from £2.80 in February 2018 to a record low of 172.15 pence (against a 2013 float price of £3.30). Last Thursday, RMG was London's worst-performing stock, falling 5.5 percent after the company admitted it would miss productivity targets and that its UKPIL business (UK parcels, international and letters) might post a loss in the 2021 financial year.

A *Daily Telegraph* article, January 25, "Royal Mail does not have long to deliver real change," by business editor Christopher Williams, judged that the company's CEO "has his back to the wall in a fight to impose change before it is too late."

The implications for postal workers were left in little doubt: "The likes of Hermes use gig economy workers and vans to Hoover up e-commerce contracts at prices with which Royal Mail cannot compete. Rico Back reckons he can change the

equation.” He concluded, “Royal Mail is being outpaced by rivals who care little for the protections enjoyed by staff postmen.”

After Back’s “turnaround strategy” was announced last May, industry analysts judged that “punches have been pulled.” With staff costs accounting for around 70 percent of UKPIL outlays, investment bank Liberum stated that RMG’s strategy was light on “cost control” and was “dodging the main issue”—adding that the avoidance of job cuts was “understandable given the risk of an adverse union reaction.”

The company knows they have nothing to fear from the CWU, which is an ally of management in the struggle against postal workers. The union has served as loyal partner in ramming through privatisation and attacks on wages, conditions and pensions.

Competition from Amazon is a major factor driving the assault on Royal Mail workers. Amazon more than doubled its share of the £12 billion UK parcels market in the five years to 2019, controlling 7 percent of deliveries. According to the Pitney Bowes Shipping Index 2019, 3.5 billion parcels were shipped in the UK in 2018, but this was dwarfed by global shipping volumes of 100 billion parcels, with 51 billion of these in China.

This month, Hermes announced it will build a £60 million state-of-the-art parcel distribution warehouse in Barnsley, near Sheffield. Named Colossus, it will be the largest of its type in Europe.

The only realistic strategy for the defence of jobs and conditions at Royal Mail is one based on the unification of workers at Amazon, Hermes and DHL, across the UK, throughout Europe and internationally. The CWU is bitterly hostile to such a fight. Instead, they are promoting nationalism to divide the working class.

The CWU’s social media accounts are currently promoting a video by Labour leadership contender Rebecca Long-Bailey that begins with the words, “Who owns Britain?” In line with her reactionary campaign of “progressive patriotism,” Long-Bailey denounces privatisation for handing over British rail, water and energy companies to foreign governments. Trains run by “French, German, Dutch and Italian governments,” she says, “effectively subsidise rail travel in their own countries.”

This nationalist drumbeat is aimed at subordinating the working class to British-based employers, pitting them against their class brothers and sisters across Europe, while justifying the pro-business and corporatist policies of the union bureaucracy.

In an interview last week on LBC radio, CWU General Secretary Dave Ward adopted the same nationalist theme. The Royal Mail dispute would be a test for Boris Johnson’s Conservative government, Ward stated, “because if I follow what he’s been saying, he’s going to be standing up for Britain. He’s going to stand up for British workers. Well this is one of the greatest companies in the history of Britain, Royal

Mail, and if this is allowed to continue in the direction the board wants to take this, we will see the end of Royal Mail as we know it.”

Having portrayed Johnson as a friend of British workers, Ward proceeded to spell out the union’s pro-company agenda. “We’ve had a number of agreements over the years that set out the direction the company should take jointly with the union in trying to build our future. ... We’re still up for talks,” he told LBC. “You don’t become a union leader if you believe that the objective is to have a strike, in my view. The objective is always to reach an agreement.”

As they enter a new national ballot, Royal Mail’s 140,000-strong workforce can place no faith in the CWU. They are a fully paid arm of management whose sole concern is the retention of the union’s services as industrial police for the company board.

While the company claims they have “no money” to fund decent pay and conditions, RMG generated revenue of £10.7 billion in 2019. Back received a “golden hello” of £5.8 million on arrival from RMG’s European parcels unit, General Logistics Systems, in 2018, and enjoys an annual pay packet of £2.6 million—more than 113 times the average yearly wage of a postal worker (£22,885), while new starters are paid just £13,500. On February 6, Back purchased 500,000 RMG shares, in a signal to financial markets that the company’s restructuring and revenue targets will be met. He stands to make a windfall if RMG’s turnaround plan is imposed, but either way a golden parachute awaits.

The crisis at Royal Mail points to the irrationality of capitalism. Robotics and smart technology that should improve working conditions and deliver greater leisure time is instead used to destroy jobs, lengthen shifts and boost exploitation. The global logistics industry, with its capacity to link producers and consumers of all countries, is instead locked in a fratricidal struggle for market domination leading to trade war and military conflict.

Postal workers must prepare for the struggle ahead by forming rank-and-file committees, independent of the CWU, that will launch a genuine counter-offensive against the plans of RMG. This must involve reaching out to workers at Amazon, Hermes, DHL and throughout the logistics and parcel delivery sectors around the world.

Companies like Royal Mail, Amazon and Hermes must be placed under genuine public ownership, under the democratic control of the working class, with the enormous social wealth used for the interests of society, not the selfish whims of the super-rich. This means the fight for socialism.



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