Royal Mail announces plans to axe 10,000 UK jobs

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14 October 2022

Royal Mail announced today that it will axe 10,000 full time jobs—over 6 percent of its 150,000-strong workforce across the UK. The jobs massacre was unveiled by parent group International Services Distribution and will be realised in two tranches, with 5,000 redundancies by March and a total of 10,000 by August 2023.

The company's plans were announced less than 12 hours after Thursday's strike by 115,000 postal workers at 1,500 workplaces. It was the sixth national strike since August and the first of 19 more one-day stoppages in the lead up to Christmas.

Today's announcement by Royal Mail is a clear attempt to intimidate postal workers from taking further strike action. The company sought to justify its brutal measure by blaming strikers, saying it expected end of year losses of £350 million, which included "the direct impact of eight days of industrial action."

Postal workers are fighting Royal Mail plans to turn them into a super-exploited workforce to compete with Amazon and other rivals in the parcel delivery market. The company's agenda is proceeding under the mantra of ending "legacy benefits", meaning the terms and conditions won by postal workers in decades of struggle.

Royal Mail is proceeding with its agenda through executive action. But the press release from the Communication Workers Union (CWU) underlines it will not mobilise postal workers against Royal Mail's declaration of class warfare.

It pays lips service to opposing the carve-up and asset stripping by the company's financial investors stating, "The announcement is the result of gross mismanagement and a failed business agenda of ending daily deliveries, a wholesale levelling-down of the terms, pay and conditions of postal workers, and turning Royal Mail into a gig economy style parcel courier."

But the centrepiece of the statement is an appeal for the Board to meet and discuss the union's "alternative business plan", framed as one offering greater profitability based on "utilising the competitive edge it has already in its deliveries to 32 million addresses across the country."

The company's jobs massacre announcement blows out of the water the empty claims by CWU General Secretary Dave Ward about progress in this week's reconvened talks with Royal Mail executives. In a CWU video update on Monday's company talks, Ward had announced, "Things are shifting" and claimed there was "a different feeling in the room."

The suspicions aired by postal workers on social media about the talks have been fully confirmed. Workers warned they were a ruse by Royal Mail as it seeks to end strikes over the profitable Christmas period, buying time while the Truss government readies new anti-strike legislation to be used against them.

Royal Mail is acting as a corporate dictator on behalf of the financial oligarchy. It cites losses from industrial action, but the company has been on a non-stop looting spree on behalf of shareholders. This includes £400 million in dividends paid out in 2021 and £130 million this year. Profits quadrupled last year to £726 million, fuelled by a surge in online buying during the pandemic. After a dip in these record profits by 8 percent this year, to £662 million, Royal Mail chair Keith Williams callously declared that the "pandemic boom" was over.

The response by these pandemic profiteers is that workplace "modernisation", i.e., the gutting of workers' terms and conditions, as envisaged in the Pathway to Change (PtC) agreed last year with the

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CWU, must be accelerated.

Royal Mail's attacks cannot be defeated through calls for a return to this framework agreement signed by CWU Deputy Secretary Derek Pullinger and Royal Mail chief executive Simon Thompson. The foundation of the PtC was to rebalance the company's resources "from declining letters to a rapidly growing parcels market".

PtC is full of references to improved performance and productivity based on "change at a greater pace" through union-management cooperation. While it does spell out the sweeping overturn of terms and conditions which have now been outlined, the CWU has reiterated there is nothing demanded by management which "could not be raised, discussed and negotiated via the various mechanisms, protocols and joint working groups provided within the existing agreement."

The CWU has not formulated any pay demand during the dispute and even after extending the dates for strike action it continues to deny postal workers any strike pay from the millions in dues they have contributed.

From day one, the CWU has championed a pro-business agenda. Ward even claimed that shareholders would support postal workers against the chief executive! Now he is appealing to the latter through the present talks. Postal workers and BT Openreach workers have raised the need for co-ordinated and stepped-up action against the combined assault they face, an agenda backed to the hilt by the Tory government.

Ward is now calling for direct intervention by the Truss government against Royal Mail, as he did on LBC radio yesterday, calling for an inquiry into its business practices. The suggestion that Truss, Rishi Sunak and the rest would be opposed to the company's asset stripping and cherry picking activities for shareholders is obscene.

Postal workers should reject outright the attempt to place the dispute under the stewardship of such a right-wing government. Any such government intervention would be accompanied by the CWU ending strike action based on winning the company's backing for its alternative business plan for competitiveness.

The dispute is now threatened directly by the CWU bureaucracy's corporatist strategy, posing the need for the rank and file to take charge. At every Royal Mail and Parcelforce depot, rank-and-file strike committees must be established to fight for the following:

· An inflation-busting pay award, with all future pay automatically indexed to the RPI inflation rate

· The immediate provision of strike pay for Royal Mail, BT and Openreach workers and Post Office workers, to co-ordinate effective and sustained joint action

· No negotiations with Royal Mail until all mass redundancies are withdrawn and all executive action ended over revision of terms and conditions. Any further negotiations to be live streamed.

· Reach out to Amazon workers who have launched wildcat action against sweatshop conditions, in a united front of all delivery workers to defeat the race to the bottom

· Royal Mail and Amazon must be nationalised, their profits confiscated to meet pressing social needs and their operations placed under the democratic control of workers.

We urge Royal Mail workers who want to discuss and plan such a fight to contact us today.

To contact the WSWS and the Socialist Equality Party visit:

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