

The corporatist record of the Communication Workers Union at Royal Mail: 2007 to 2023

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Posed in the present fight against the Communication Workers Union's pro-company agreement with Royal Mail Group (RMG) is a political reckoning with the union bureaucracy by the rank-and-file.

At the start of last summer, after postal workers delivered massive strike mandates to fight Royal Mail's attacks, the *World Socialist Web Site* warned that CWU General Secretary Dave Ward and his deputy Terry Pullinger along with the union's postal executive had a totally opposed agenda to that of postal workers.

On July 26, 2022, WSWS warned that the CWU was seeking an agreement with Royal Mail at the direct expense of postal workers' jobs, terms and conditions. The CWU had stated that there was "absolutely nothing" being demanded by Royal Mail which "could not be raised, discussed and negotiated via the various mechanisms, protocols and joint working groups provided within the existing agreement." It stated that "improving efficiency, duty patterns, aligning workload, rebalancing the operations towards parcels, technology deployment, for example are all covered within the Pathway to Change."

The CWU's "Business, Recovery, Transformation and Growth Agreement", signed by Ward and Furey and endorsed by the postal executive, has not fallen from the sky. It is the outcome of the ever-closer integration of the CWU apparatus with Royal Mail. From its collusion with Tony Blair's Labour government in preparing the groundwork for privatisation, to successive company-union deals, postal workers have suffered a wave of attacks on jobs, pensions, pay, terms and conditions, enforced by union-management partnership.

The 2007 dispute

On January 1, 2006, the Blair government introduced backdoor privatisation, opening the Royal Mail network up to private companies that were allowed to cherry pick its more profitable operations.

Royal Mail pushed ahead with plans for "modernisation", a euphemism for the mass culling of jobs, alongside measures to hike up productivity and cost cutting.

Between June and October 2007, more than 130,000 postal workers struck for five days against a paltry 2.5 percent pay award and 40,000 threatened redundancies alongside demands for "flexible" start and finish times, reduced pensions, and a rise in the retirement age.

While the CWU worked to stifle the strike movement via staggered action, wildcat stoppages erupted. These were ended with the CWU's bowing to a High Court injunction in October blocking further strikes.

Behind the scenes, a deal was hatched between CWU led by General Secretary Billy Hayes and Royal Mail and brokered by then Trades Union Congress (TUC) General Secretary Brendan Barber. (It is for this reason that Barber was called in to preside over ACAS talks in the current

dispute, to deliver yet another stab in the back to postal workers.)

The 2007 deal involved a sub-standard pay component of 5.4 percent over two years, with a further 1.5 percent tied to flexibility on working hours to meet local workloads.

It was a stitch-up rubber stamped by the Postal Executive, with nine voting in favour of the deal and five voting against, among them CWU President Jane Loftus, a member of the pseudo-left Socialist Workers Party (SWP). Only one member of the executive, Dave Warren, came out with an open call for workers to reject the deal in the postal ballot stating, "I voted against the deal because it is a capitulation to management's agenda. They have got the majority of what they wanted in exchange for a meagre increase in pay." Warren was subsequently driven from his position and the sell-out Pay and Modernisation Agreement 2017 was implemented.

To further undermine opposition, pension reform was negotiated separately. This led to the transfer of Royal Mail workers from a defined pension to an inferior career average scheme with retirement age raised from 60 to 65. Ward, then deputy general secretary, stated that the CWU "understand and support the need for pension reform... no change on pensions is an option that will cripple the company financially."

WSWS articles:

Postal union agrees to sell-out deal with Royal Mail

Vote 'no' and mobilize rank-and-file against CWU sell-out of postal workers

The 2009 dispute

Postal workers took five days of 24-hour strike action in October 2009 over pay, and to oppose further mass redundancies and speed-ups. The CWU Postal Executive agreed unanimously to call off further action in November. This would have involved 120,000 Royal Mail workers in national action for the first time since the dispute began in June with local stoppages and with action in October organised on a sectional basis.

The CWU leadership sabotaged the fight against Gordon Brown's Labour government that was demanding further "modernisation" in preparation for selling off a 30 percent stake in Royal Mail to private investors. The government organised a scab workforce of 30,000 agency staff to break the strike and enforce this market driven agenda.

Once again Barber and the TUC were involved in closed door talks between the CWU and Royal Mail based on a no-strike agreement during negotiations.

Ward stated, "We can now have a period of calm where we hope we can genuinely take forward modernisation in a way that puts the union at the centre."

After four months of backroom talks, the CWU came up with the

“Business Transformation 2010 and Beyond” agreement signed with Royal Mail in March 2010.

The 80-page agreement was based on a below inflation pay deal of 6.9 percent over three years. A new method of payment was adopted for the delivery of D2D (business flyers) with a previous bonus on each item incorporated as a flat rate into wages while the cap on volumes was lifted.

It allowed for other productivity increases through the automation of the sorting process to facilitate more time spent on delivery and extended walks. It agreed to the mass closure of mail centres specifying between 12,000 and 20,000 job losses under the fig leaf of voluntary redundancy.

The vote to accept in April 2010, based on a 50 percent ballot turn-out and a 2 to 1 majority was a product of the CWU bureaucracy’s efforts to wear down and exhaust postal workers’ defiance.

WSWS articles:

Communication Workers Union sabotages postal strike

London postal workers condemn strike sell-out by Communication Workers Union

Socialist Workers Party colludes in postal strike sellout

Communication Workers Union sells out postal workers

Post workers accept rotten agreement: A vote of no confidence in the Communication Workers Union

Privatisation in 2013

The CWU worked to demobilise opposition to the full privatisation of Royal Mail by the Conservative-Liberal Democrat coalition government in the autumn of 2013.

A consultative ballot held in June of 112,000 CWU members had recorded 96 percent against privatisation, but the union’s leadership ruled out strike action on the grounds it was not legal. Instead, it promoted a futile letter-writing campaign to MPs.

The CWU’s claim that it would disrupt privatisation through strike action over a rejected below-inflation three-year pay deal proved to be hollow. The strike ballot was pushed back until after the flotation of Royal Mail on the London Stock Exchange. When the ballot was finally held in October, it recorded a 4 to 1 majority for strike action. Scheduled for November 4, it was called off.

The CWU’s “opposition” to outright privatisation was based on its claims that the union was already working with the government to make Royal Mail more competitive and profitable. General Secretary Billy Hayes stated, “Workers have embraced modernization, and helped increase profits by 60 percent”. The CWU ensured the elimination of 50,000 jobs via its agreements with Labour governments between 1997 and 2020.

WSWS articles:

UK postal workers vote to strike

British government steps up plans to sell off Royal Mail

2019: Action against Rico Back’s “modernisation” agenda sabotaged

Postal workers’ anger reached boiling point after newly appointed CEO Rico Back unleashed a new round of attacks under the guise of “modernisation”. Brought across from the company’s international parcels division GLS in September 2018, Back was tasked with enforcing the exploitative practices which had made GLS such a profitable subsidiary.

As the WSWS explained, Royal Mail was pursuing “war plans under which it intends to impose conditions now widespread throughout the gig economy.”

In 2019, a wave of unofficial and local action by Royal Mail workers erupted across the UK over issues ranging from closure of delivery offices, to increased workloads and management bullying. A ballot for strike action was held in September-October, while the CWU moved to suppress wildcat strikes including at Bootle delivery office in Merseyside where postal workers walked out in defence of a colleague subjected to racist harassment from a manager. The strike spread to nearby Warrington, with the CWU working to isolate and shut down action, even as Royal Mail bussed in scabs.

The CWU responded to Back’s offensive by insisting that Royal Mail could achieve its objectives by working with the union via the Four Pillars Agreement signed between Royal Mail, CWU General Secretary Dave Ward and Deputy General Secretary Terry Pullinger in 2017. The agreement included an inferior pension scheme, a reduction in working hours via increased productivity and new delivery routes and duty patterns with increased use of technology such as a PDA (personal digital assistant) device to monitor performance.

Postal workers’ determination to fight Royal Mail’s attacks was shown in the 97 percent national strike mandate delivered in October 2019.

Royal Mail obtained a High Court injunction against the strike in November on the pretext of irregularities and a “subversion of the ballot process”. The strike was outlawed on the basis that postal workers had opened their ballot papers in some workplaces and posted images of themselves voting Yes.

The CWU did not lift a finger against this frontal assault on workers’ rights, agreeing to restage the ballot.

2020: CWU seizes on pandemic to cancels strikes

In March 2020, the CWU announced a massive 94.5 percent strike vote by members to take on Royal Mail’s attacks. This renewed mandate was cancelled within hours by Ward and Pullinger who used the pandemic as grounds for capitulation.

CWU head office announced “a proposal to the company based on putting the interests of the nation first,” suggesting that Royal Mail workers stay on the job and assume the role of “an additional emergency service.” Their declaration that “we believe that could really help the country in these unprecedented times” subordinated postal workers to the profit dictates of Royal Mail. The CWU bureaucracy used the pandemic to deepen its collaboration with the Royal Mail board and its chair Keith Williams who later hailed its results as a “pandemic boom.”

Classified as essential workers, Royal Mail employees played a critical role during the pandemic, including through the delivery of test kits. Yet despite this, they were denied basic protections, leading to mass outbreaks of COVID-19 in overcrowded workplaces resulting in hospitalisations and deaths. Wildcat strikes erupted at several offices with workers demanding PPE and other safety measures to save lives.

Prime Minister Boris Johnson’s government meanwhile agreed to the temporary suspension of the Universal Service Obligation, reducing letter deliveries from six days a week to five, and placing 20,000 jobs at risk. CWU head office rowed back on its empty strike threats and hailed as a victory a boardroom coup to remove Rico Back as CEO in May.

Back’s removal was used by the CWU to peddle the myth that “we are all in it together”. The next stage of Royal Mail’s “modernisation” program could be put on ice as the company reaped record profits through parcel deliveries due to the surge in online shopping. Royal Mail’s profits

quadrupled to £726 million in the 2020-2021 financial year.

At Royal Mail's AGM in July 2022, a further £130 million was handed out to shareholders on top of £400 million the previous November. This looting operation continued with the imposition of a 2 percent pay award in June 2022 and demands for mass job destruction and the overturning of terms and conditions to compete with Amazon and other players in the global logistics market.

WSWS articles:

UK High Court bans strike by 110,000 Royal Mail postal workers

Union calls off UK Royal Mail strike citing national interest during coronavirus pandemic

UK Royal Mail CEO Rico Back forced to resign: Next stage opens in postal workers' struggle

The CWU's record since 2007 demonstrates that its "Business, Recovery, Transformation and Growth Agreement" signed last month with Royal Mail has not come out of the blue. This pro-company agreement is the outcome of *corporatism*, a process whereby the privileged bureaucracy has become ever more closely integrated with Royal Mail management and successive Labour and Tory governments.

Corporatism asserts a common interest between workers and employers and means the total subordination of the working class to the profit dictates of the company. This is reflected in every page of the current agreement, with its talk of "align[ing] the interests of employees, customers and all stakeholders" and of "achieving mutual interest solutions to turn the fortunes of the company around".

The bitter experience of the past 15 years shows that there is no "common interest" between workers and shareholders. Nor is there a common interest between the CWU bureaucracy and postal workers. A rank-and-file rebellion to oust the bureaucracy is a precondition for victory at Royal Mail. Rank-and-file committees must be created at every workplace to take control of the dispute and draw up a strategy to win. Support for such a fight exists not only at Royal Mail but among workers across the UK, Europe and internationally.

The Postal Workers Rank-and-File Committee is holding a Zoom meeting "A Fighting Programme for Royal Mail workers" this Sunday May 14 at 7pm. Register here to attend.



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Socialist Equality Party visit:

wsws.org/contact