

# Oppose union-management cost cutting at Australia Post! Build rank-and-file committees to fight for jobs, wages and conditions!

**Postal Workers Rank-and-File Committee**

**1 April 2024**

With enterprise bargaining now underway for a new workplace agreement at Australia Post (AP), dubbed “EBA11,” the Postal Workers Rank-and-File Committee (PWRFC) warns that this process will be used by management and the union bureaucracy to impose further cuts to real wages and clear the way for the slashing of jobs and conditions in the ongoing restructure.

To prevent this and take forward a fight for their own demands, AP workers need to establish rank-and-file committees in every facility, democratically controlled by workers themselves. These must be politically and organisationally independent of the Communication Workers Union (CWU), which functions as an arm of management, enforcing every cost-cutting demand issued by AP and the federal government.

As part of its “Post 26” restructuring program, AP is seeking to cut labour costs by 17 percent between 2023 and 2026. A central component of this is the “new delivery model,” which will cut letter delivery frequency in half, expand rounds by up to 50 percent and eliminate most walking beats. The ultimate goal is to transform AP into a highly profitable parcel delivery business, as part of longstanding plans for privatisation.

None of this would be possible without the total collaboration of the federal Labor government, which has pledged to erase AP’s legal obligation to provide daily service, and the CWU leadership.

The CWU bureaucracy has worked hand-in-hand with AP management to architect, implement and enforce the new delivery model. The half-today, half-tomorrow arrangement for letters is a transparent attempt to attach the slogan of “one postie, allocated to one round, delivering five days per week” to what is, in everything but name, alternate-day delivery of two beats, because the CWU leadership knows this is a red line for postal workers.

The complicity of the union bureaucracy in imposing the new delivery model was further exposed in the way it was introduced to postal workers. It was top-level CWU bureaucrats, not AP management, who first announced that the new model was being trialled. Despite their phoney professions of skepticism, union officials ensured that the early trials went smoothly, and pronounced them a resounding success once management was confident the model would deliver the productivity gains they

sought.

The restructuring operation is being carried out under the pretext that AP is in dire financial straits, due to a protracted decline in the letters business. Despite recording \$8.97 billion in revenue for 2022–23, AP reported a net loss of \$134.6 million.

While the senior executives who presided over this loss were awarded more than \$2.8 million in bonuses, on top of more than \$7 million in salary and other benefits, ordinary postal workers will be made to pay through increased workload, job cuts, and the slashing of real wages.

The CWU leadership made clear from its first words to members about EBA11 that it completely accepts this framework, noting in a statement last month that initial meetings with management centred around “Australia Post’s operational challenges and their forecasted financial outlook.”

Even before putting forward a log of claims—to be based, ostensibly, on a bogus online survey—the CWU leadership is parroting management’s sob story of “tough times ahead.” AP workers be warned, what is being prepared is a sell-out deal that gives the bosses everything they want.

The PWRFC rejects the conception that workers must limit their demands according to what fits with management-government plans to aggressively cut costs, slash customer service and turn AP into a parcel delivery business to compete with the likes of Amazon.

Instead, we urge rank-and-file postal workers to formulate their own log of claims, based on their actual needs, not what the union bureaucrats or bosses say is “sustainable.” As a starting point for this discussion, the PWRFC proposes these basic demands:

- Immediately increase all pay by 25 percent to compensate for past erosion. Index wages to the current cost of living and introduce an automatic monthly cost of living adjustment to keep pace with rising expenses.

- No to the new delivery model! Return to everyday delivery on all rounds.

- One beat, one postie, with no expansion of beats! Where identified by workers, rounds must be reduced in size on the basis of finishing within rostered hours. Empty beats must be filled with

new employees.

• No job cuts! All workers that have been laid off since the restructuring started—including in middle management—must be immediately reinstated with no loss of entitlements or pay.

• Clean air in the workplace! AP must install proper ventilation, HEPA filtration and far-UVC germicidal lighting in all facilities to minimise the spread of COVID-19, flu and other respiratory illnesses among postal workers. Reinstate paid pandemic leave so workers have ample time to recover and are not under financial duress to work while possibly infectious.

**A additional 10 days of annual leave.**

Management and the CWU bureaucracy will likely claim that these demands are unaffordable. The PWRFC rejects the premise that essential public services such as AP must turn a profit. The corporatisation of vital amenities, at the expense of workers' jobs, wages and conditions as well as the needs of the broader population, serves no purpose other than to slash government expenditure and pave the way for privatisation.

This is not an exhaustive list, but the PWRFC's initial contribution to what must be a democratic discussion involving all postal workers across the country.

The PWRFC demands that the CWU (and all other unions with coverage at AP) call stop-work meetings at all workplaces, at which all AP workers can speak about their experiences and what must be fought for. The union bureaucracy must be fully transparent about negotiations with management and government. Workers cannot be kept in the dark!

But all previous experience shows that the CWU leadership will enforce management dictates through subterfuge and secrecy. This means AP workers need to take matters into their own hands, starting with holding their own rank-and-file meetings. This is necessary to prevent another betrayal, which is already in the making.

The CWU is playing the lead role in imposing the new delivery model—a crucial component of AP's cost-cutting restructuring operation—as it has done in every attack on postal workers in recent years, including with the Alternative Delivery Model (ADM).

The ADM was introduced in 2020, using the COVID-19 pandemic as a pretext to drive thousands of postal workers out and massively increase the workload of those who remained. This was facilitated by the CWU leadership, which agreed, behind workers' backs, to delay enterprise bargaining for a year, which not only froze workers' pay, but prevented them from legally taking industrial action against the hated ADM.

When the ADM was abandoned—not because of any action by the CWU, but because it failed to deliver the productivity gains sought by management—the union leadership nevertheless claimed the credit and took advantage of workers' slight sense of relief to ram through a sub-inflationary 3 percent nominal pay rise deal without any industrial action.

It was only after workers at StarTrack—AP's freight subsidiary—received a CPI-linked pay rise after multiple 24-hour strikes that CWU officials scrambled to secure the same deal for AP workers, possibly fearing a defection of members to the Transport Workers Union. But official inflation figures massively understate the real rise in the cost of living for working people,

with the price of housing, utilities, fuel and other necessities rising far more rapidly than luxury items. The CPI guarantee also did nothing to make up for years of low pay, or the wage freeze enforced by the CWU leadership in 2020.

These experiences demonstrate that, in this year's EBA11 negotiations, AP workers are not only up against management, but the CWU bureaucracy as well. This underscores the need for independent rank-and-file committees as the new organs through which workers can advance their struggle for improved wages and conditions.

The restructuring at AP is part of a broader offensive against the working class. Workers confronting the worst cost-of-living crisis in decades are being subjected to deepening attacks on wages and conditions as the big-business Labor government, aided by the unions, seeks to impose upon workers the burden of the capitalist economic crisis and escalating military expenditure.

This is by no means confined to Australia. Globally, postal and logistics workers are on the frontlines of a deepening assault on the working class, subjected to endless restructuring operations as governments and private operators engage in a cost-cutting race to the bottom with corporate behemoths like Amazon.

In the US, the United States Postal Service has slashed casual hiring during peak periods, cut rural letter carriers' pay by as much as \$20,000 a year and is seeking to eliminate some 50,000 jobs. United Parcel Service (UPS) recently announced plans to close hundreds of facilities and destroy tens of thousands of jobs, following the implementation of a wage-cutting contract by the Teamsters union.

In the UK, Royal Mail has slashed more than 10,000 jobs in recent months with the full support of the (British) Communication Workers Union, which crushed mass strikes last year involving more than 100,000 workers.

In every case, as at AP, the unions are playing the key role in the attack on workers. These are not workers' organisations in any sense, but serve as an industrial police force of management, suppressing opposition to the profit-driven demands of corporations and governments.

To defeat the "Post 26" restructuring operation and fight for improved wages and conditions, AP workers will need to take up a political struggle against Labor, management and the union bureaucracy.

This must be seen as part of a struggle by broader sections of the working class, in Australia and internationally, and the fight for a new political perspective that rejects the dominance of corporate profit interests over every aspect of society.

This means a fight for a workers' government and a socialist program. Australia Post must be placed under democratic workers' control and ownership, along with the banks and major corporations.



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