

Royal Mail demands end of six-day letters delivery, plans mass job destruction

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Royal Mail has spelled out proposals to end six-day-a-week letter deliveries in a submission to postal regulator Ofcom. The plan will see the destruction of up to 17,800 jobs at the national carrier.

The projected job cuts are part of a global war against postal and logistics workers—including at Amazon, UPS and the US Postal Service—as corporate boardrooms seize on new technology to reduce the workforce and slash costs.

Communication Workers Union (CWU) officials have responded by offering their own cost-saving measures including a five-day mail service, slower speeds for second-class mail and declaring that “the USO should evolve based on an expanded parcel network”.

Royal Mail’s April 2 submission was made in response to Ofcom’s “call for input” on the future of the Universal Service Obligation (USO). The USO guarantees mail delivery Monday-Saturday to Britain’s 32 million households, with uniform pricing for different classes of mail regardless of destination.

Ofcom aims to change all that. In January, it published a 104-page report, “The future of the universal postal service”, which concluded that commitment to a six-day mail service is “an unfair financial burden on Royal Mail”. It canvased measures to reduce this “burden” by scaling back and ultimately ending the USO.

On behalf of Royal Mail’s private equity investor and hedge fund owners—parasites like Vesa Equity and Black Rock Inc that have creamed £1 billion in dividends and buybacks since 2020—Royal Mail’s submission declares the USO is “unsustainable”.

It complains: “Royal Mail is spending around £1m - £2m per day to provide the USO to the UK”. It approves Ofcom’s judgement that this “raises serious questions as to whether it is a cost Royal Mail should or even can be expected to continue to meet.”

Royal Mail is demanding that all non-First Class letters

be delivered on alternate weekdays, reducing the USO to a three-day-a-week service (at best). Delivery speeds for standard bulk mail will also be slowed, taking three weekdays to reach recipients instead of two.

The impact will be a jobs massacre, with Royal Mail stating: “the total number of delivery routes is expected to reduce by c. 7,000-9,000.”

The company claims there will be no compulsory redundancies, citing a voluntary redundancy figure of 1,000. Most delivery roles can be “managed” (destroyed) through “natural attrition”, underscoring the complicity of the CWU in company revisions to terms and conditions—enshrined in last year’s national agreement—aimed at slashing Royal Mail’s existing workforce.

Based on Ofcom’s own financial modelling, the CWU estimates that moving to a two or three-day-a-week USO will in fact result in job losses of between 13,700 and 17,800, based on net cost savings of £750 million to £975 million. But “frontline job losses could be considerably higher than this.”

Royal Mail’s proposals are social vandalism and will have damaging and even deadly consequences. National Health Service (NHS) patients are already missing hospital appointments and life-saving surgery due to industrial-scale breaches of the USO by Royal Mail.

NHS leaders wrote to the *Telegraph* on Friday warning that “two million people may have missed medical appointments in 2022-23 due to late delivery of letters, and this will only deteriorate under the proposed new plans.” Citizens Advice has protested that millions are affected by missed NHS appointments, court notices and welfare benefits decisions.

While Ofcom is the supposed guarantor of the USO, it has allowed Royal Mail to trash its legal obligations. Its token £5.6 million fine in 2023 for “significant contravention” of First Class and Second Class mail

targets has greenlighted Royal Mail's focus on the lucrative parcels market.

Royal Mail justifies its war on the USO with corporate speak about "adapting and evolving" to "changing customer behaviours". But there is no public support for reduced mail deliveries—or for the price hikes Royal Mail is planning for First Class mail that will drive customers into slower Second and Economy Class services.

But the company's submission does not stop there. It demands the government urgently legislate to gift Ofcom sweeping powers to drive through cost efficiencies and reduce the USO further still. It states, "where further reform is no longer sufficient... it may fall on Government to contribute to those costs."

CWU on its knees

While the CWU has publicly rejected Royal Mail's plans for a three-day USO, it accepts the market-driven framework set by the company, offering proposals "to ensure the USO is sustainable" and declaring "we have never shied away from change".

Its submission states: "The CWU would be willing to consider a five-day USO for letters (Monday to Friday), if it were part of a seven day parcel service."

It pledges: "the CWU is open to changing the speed of delivery of some products, if the USO continued to ensure that First Class products were still delivered across six days."

A modernised USO should be based on an "expanded parcel network" and an "expanding role for postal workers" in delivering "new social and commercial products and services". How they are supposed to add such workloads is left unsaid.

The CWU's submission confirms the union is fully embedded with the company. It accepts that Royal Mail cannot operate a six-day (or even a five-day USO) and calls for an industry fund with contributions from Amazon, Evri and other parcel companies that are currently leveraging profits off Royal Mail's delivery network.

Amazon is a "significant" client according to Royal Mail, and Parcelforce workers confirm they are handling huge volumes of Amazon deliveries. But the CWU's suggestion that Amazon would contribute to an industry fund to subsidise the USO and create "a level playing

field" is absurd. Amazon's main UK division paid zero corporate tax last year, for the second year running, despite receiving £7.7 million in infrastructure investment under the Sunak government's super-deduction scheme, according to the *Guardian*.

The CWU nakedly touts for the Labour Party, writing: "We are pleased that the Labour Party has agreed to a comprehensive regulatory review of the sector, as part of their National Policy Forum process, in order to improve the dismal regulatory regime." How this sits with Labour leader Sir Keir Starmer's incessant praise for Margaret Thatcher is anyone's guess. But there is no more strident defender of the London Stock Exchange than his Shadow Chancellor Rachel Reeves.

"Ideally, Royal Mail would be in public hands and the net costs would be subsidised by the government", the CWU writes, "but this is difficult under privatisation." [!] The CWU nevertheless affirms its confidence in company executives: "the CWU knows that Royal Mail can remain a financially sustainable and comprehensive business in the modern world."

At the conclusion of its submission, the CWU quotes from the Business Recovery, Growth and Transformation Agreement it signed with Royal Mail in April 2023 that betrayed the year-long battle by over 100,000 postal workers against the historic assault on pay, terms and conditions. The agreement was "designed to grow parcel volumes and our share in the market by operating a 24/7 network, including Sundays, alongside acceptance times and dedicated parcel routes that will enable customer deliveries across the day and into the evening."

Having delivered everything to Royal Mail, the CWU complains pathetically that just "months later" the company and Ofcom are back for more.

To defeat Royal Mail's assault a rank-and-file rebellion must be organised. The Postal Workers Rank-and-File Committee has announced an online meeting for Sunday April 28, at 7pm. Register to attend and help spread the word.



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