

CWU has no mandate for backing Kretinsky's wrecking operation at Royal Mail—Build the rank-and-file opposition

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For more than a month after Communication Workers Union (CWU) General Secretary Dave Ward and his deputy Martin Walsh rammed through their so-called “negotiators’ agreement” with Royal Mail’s billionaire owner Daniel Kretinsky’s EP Group, both leaders have maintained a low profile.

Their silence is deliberate, as the agreement has been exposed as what the Postal Workers Rank-and-File Committee (PWRFC) warned it was: a sweatshop charter to slash jobs, intensify exploitation and gut of the Universal Service Obligation (USO). Having delivered what EP Group demanded, Ward and Walsh have left postal workers to face the consequences.

The CWU bureaucracy has no mandate for its collusion with Royal Mail management and Kretinsky. The ballot result on May 29 was carried on a historic low turnout of just 32 percent. The vote of 65.4 percent in favour, with 34.6 percent against, meant the CWU secured the backing of only around one in five members for what was euphemistically referred to as “USO deployment.”

The so-called first step in “equalisation” for new entrants was accepted on a similarly low turnout as it exposed the claims made by the CWU of overcoming the two-tier workforce it helped implement in 2023. There is widespread anger among the new generation of postal workers who remain trapped on a near-minimum wage and inferior conditions, including non-payment for meal breaks.

Before postal workers had even cast their votes, CWU officials were working with management to implement the new delivery model, DM26, across 240 delivery offices—a rebranding of the hated Optimised Delivery Model (ODM) imposed by Walsh from last March at 35 delivery offices. It has been a disaster for the mail service and created intolerable workloads for delivery staff.

DM26 retains making three delivery workers do the work previously performed by four. Whether Royal Mail calls it “full optimisation” or the CWU packages it as the “heavy and light” model, the aim is to eliminate jobs and intensify workloads. Walsh declared he had signed up to £250 million in cost cutting.

CWU officials are now rolling out DM26 across a confirmed number of 26 delivery offices, pushing postal workers further towards exhaustion while injuries mount, veteran posties are forced into ill-health retirement, and Royal Mail churns through new recruits employed on gig economy terms.

The agreement ties the CWU directly to the destruction of the USO under the banner of “reform”. With the regulator Ofcom’s approval, second-class mail has been reduced to alternate weekdays. First Class, while at this stage still a six-day service, has been undermined by allowing a speed of delivery from next day to within three days. The aim is to accelerate Royal Mail’s transformation into a parcels business based on lower labour costs and exploitative working practices.

Walsh let slip the real basis for the agreement when he declared it had been accepted because there was “no organised opposition, only on social media.” The CWU leadership does not command the confidence of postal workers to defend their interests. Its role is to prevent resistance from reaching a level that disrupts its shared agenda with EP Group – anything that stands in the way of profit is deemed “unsustainable.”

The PWRFC called for a No vote in the May ballot insisting that the only way forward was to organise a rebellion through rank-and-file committees in every workplace, defending jobs, opposing unsafe working practices and protecting and uniting senior postal workers with new entrants to end the two-tier workforce policed

by the bureaucracy.

The first annual results for the year to March 2026 following EP Group's £3.6 billion takeover of International Distribution Services (IDS), the parent company of Royal Mail, expose the economic and class interests driving the overhaul of Royal Mail. Group revenue rose 3.6 percent to £13.6 billion. Yet adjusted operating profit fell by one-fifth to £222 million as the GLS parcel business declined in Europe and North America. Royal Mail's revenue increased 2.6 percent to £8.4 billion, but its adjusted operating profit remained virtually stagnant at just £5 million despite relentless cost-cutting. The drive to boost profitability is being pursued not through investment in the postal network or improved service, but restructuring at the expense of workers' jobs, pay and conditions.

In contrast, executive pay has soared, led by IDS chief executive Martin Seidenberg who received £6.9 million in salary, bonuses, and long-term incentive awards last year—nearly three times the £2.1 million he received in the previous year and driven by share-based payouts linked to the Kretinsky takeover.

At the same time, £114 million has already been extracted from IDS to pay interest on Kretinsky's debt for the takeover—confirming that revenues are already being diverted to pay for the leveraged buyout.

The cost is being borne by postal workers and the public. Royal Mail is estimated to have delivered 219 million letters late over the last year and continues to miss its statutory delivery targets. First class stamp prices have risen to £1.80, almost double their 2022 level.

The company acknowledges that its agenda depends upon the CWU. Seidenberg stated: "Following Royal Mail's agreement with the unions, we are rolling out universal service changes across the UK which will lead to a more efficient, reliable and sustainable service for our customers".

The urgent task is to organise the opposition to defeat the collusion of the CWU apparatus by building rank-and-file committees in every workplace to defend the postal service against its destruction to enrich executives and billionaire private equity owners.

Mounting a successful struggle also means taking this beyond Royal Mail to build links with workers throughout the postal industry.

The CWU has been provided with a seat at the table with EP Group. This has served as an example for the Labour government's tripartite alliance between the unions and big business. The "new governance" model

aligns with the interests of the corporate oligarchy in extracting greater profits while its junior partners suppress workers' opposition. The fight against this at Royal Mail can arm every section of workers.

The CWU bureaucracy, which has worked hand in glove with Keir Starmer, has now swung behind Andy Burnham as his replacement for prime minister, with Dave Ward claiming, "We need to put working-class people back at the heart of government." Burnham is a dyed-in-the-wool Blairite who has reaffirmed his commitment to fiscal rules while backing ramped up military spending.

Postal workers must instead link up their struggles with every section of workers, including in the National Health Service, in defence of the jobs and essential services under renewed threat from a deepening agenda of austerity and war.

A new leadership must be built against the union bureaucracy, which accepts that everything must be subordinated to profit and national competitiveness. This means overcoming the divisions of workers by industry or national borders, building the independent power of the working class against governments of every political stripe that are tightening the grip of the corporate billionaires.

In Canada, under the Liberal government of Mark Carney, and in the United States under the would-be dictator Trump, postal services are being cut to the bone to facilitate mass job losses and impose Amazon-style levels of exploitation in preparation for privatisation. The PWRFC, through its affiliation with the International Workers Alliance of Rank-and-File Committees, provides a vital framework to coordinate the struggles of postal and logistics workers internationally.

We urge postal workers to contact the PWRFC. End the CWU-management cover-ups, open the lines of communication for a co-ordinated fight back and help strengthen the international fight against privatisation, exploitation and the assault on workers' lives and livelihoods.



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