

Royal Mail announces plans to cut 2,500 jobs

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Royal Mail announced on October 7 plans to cut 2,500 jobs at its head office and in “support roles” by late next year. Chief executive Alistair Cochrane made the profit-driven agenda clear: “We have been working hard to reduce costs and simplify processes across all areas of the business as we transform to win in a very competitive market.”

The job cuts represent nearly 2 percent of Royal Mail’s 131,000-strong workforce. The *Guardian* reported that they were the first job cuts announced at Royal Mail since billionaire Daniel Kretinsky’s EP Group completed its £3.6 billion takeover last year. The previous round, in 2022–23, eliminated 10,000 jobs, including 6,000 frontline positions.

The claim that the latest job cuts are isolated as they do not directly target delivery, processing and distribution staff is false. They form an integral part of the same restructuring operation, slashing thousands of jobs by downgrading of the Universal Service Obligation (USO) from six-day to alternate-day deliveries for standard mail. Ofcom rubber-stamped the changes in July 2025. The service cuts are tied to dismantling infrastructure maintained by generations of postal workers and transforming Royal Mail into a low-cost parcel network under EP Group.

On the day of the announcement, Communication Workers Union (CWU) deputy general secretary Martin Walsh signalled there would be no opposition to the 200 redundancies facing administration and revenue staff. In a letter to branches, he said these would be “voluntary”—the preferred mechanism for joint union-management job culling.

In a message posted on the CWU’s Facebook page, Walsh prioritised closed-door talks with management over meetings with workers facing the loss of their livelihoods.

“We will be meeting management to discuss this announcement, which is further evidence of a company that is demoralising staff and failing to deliver for customers and the wider community. We urge the government to confront the reality of a collapsing Royal Mail and intervene to save this national institution.”

This faux outrage is a political smokescreen to cover for the guilty parties. The CWU bureaucracy and Labour government handed Royal Mail to Kretinsky’s private

equity firm in December 2024. The government’s “Deed of Undertaking” and the CWU’s “Framework Agreement with EP Group” provided the blueprint for restructuring and carving up the company.

Kretinsky confirmed this before a parliamentary select committee in March this year, dismissing forecasts that 220 million letters would arrive late as “not catastrophic”. He cited the weakened delivery targets under the downgraded USO to claim Royal Mail was on track, exposing how everything had been handed on a plate to EP Group.

The agreements recognised CWU officials as corporate partners in return for acting as industrial enforcers of the slash-and-burn agenda. Its expression in the workplace is the “DM26” delivery model, which Walsh has rolled out through joint management teams despite bitter opposition from 80,000 delivery staff.

Walsh presented DM26 as an alternative to the hated and failed Optimised Delivery Model (ODM). In reality, it retains the reduction from four delivery duties to three, intensifying workloads and preparing thousands of job losses. The supposed “light and heavy” model was a shell game: workers would still absorb the work of the eliminated duty.

This deception was central to pushing the agreement through a ballot in May. Turnout was just 32 percent, with only one in five members voting to accept it—a de facto vote of no confidence.

According to the CWU’s most recent figures, DM26 has now been deployed at 800 of Royal Mail’s 1,250 delivery offices. Walsh has presided over a cover-up of its disastrous impact. Postal workers have inundated the CWU with reports about mounting letter backlogs, increased parcel volumes and longer delivery spans, walking up to 15 miles a day.

Walsh dismissed this evidence, claiming that any issues with DM26 are mere “bedding in” problems. He has the front to speak of a collapsing mail service and the low morale of postal workers while doing everything to conceal the crisis, even using data supplied by Royal Mail against delivery workers opposing DM26. Last month, Walsh cited an improved delivery point coverage rate of 98.2 percent at

offices where DM26 was deployed. Postal workers called this out as a fraud, pointing out that an address receiving some mail or parcels does not reflect the vast quantities of mail left undelivered.

Walsh announced on Friday that a further rollout of DM26 has been “paused” claiming that this was only to address where it has not operated “as intended”. He is now trying to rewrite history by claiming it was not the “union’s preferred option.”

The truth is that the CWU bureaucracy has overseen a wrecking operation designed to deliver the £250 million in structural cost savings it signed up to with DM26. Walsh has echoed Royal Mail management and Kretinsky in declaring the six-day USO “an unfair financial burden”. In practice, anything obstructing profit—jobs, pay, conditions and the mail service itself—must be sacrificed.

The separate “equalisation” agreement rammed through in May entrenched the two-tier workforce introduced by the CWU in July 2023, as part of the sellout that ended the 2022–23 national strike.

The CWU had promised a first step towards equalisation last September and a full plan by December. Instead, the May agreement this year left new entrants on a national hourly rate of just £13.06, barely above the £12.71 national minimum wage, with further negotiations deferred until January 2027. New entrants also remain unpaid for delivering commercial flyers and for meal breaks.

Royal Mail and the CWU are using DM26 to accelerate the driving out of senior postal workers through retirement and ill health, as their bodies are broken by crippling workloads, to replace them by new entrants on gig-economy terms. The benchmark is so low that new entrants are also driven to quit: one in two leaves within a year, 27,000 have left since joining under the new contract introduced in December 2022.

The CWU bureaucracy is now seeking to use Andy Burnham’s premiership to extend its partnership with Kretinsky established under the Starmer government. General secretary Dave Ward is touting more “public control” under Burnham.

But his government has already dismissed a petition with 10,000 signatures demanding a return to public ownership. Its September 28 press release stated:

“Privatisation was necessary to ensure this critical institution continues and that there is a consistent provision of a universal postal service that does not compete for public funds, which should be used to fund the NHS and other public services. The designated universal service provider remaining within the private sector with access to the capital needed to transform the business and ensure its long-term financial sustainability, is therefore the most appropriate

option at this time.”

The ringing endorsement of privatisation and the Kretinsky take-over have nothing to do with committing funds to the NHS, which is being starved itself, but with hiking up military spending.

The union-management offensive must be answered with a joint struggle by postal workers—mobilised through independent rank-and-file committees in every delivery office, mail centre and Parcelforce depot—demanding immediate equalisation, an end to chronic understaffing and to the gutting of the mail service. They must link their struggles with those of every section of the working class, including NHS workers, in defence of jobs and essential services threatened by austerity and war.

The Postal Workers Rank-and-File Committee (PWRFC) insists this is where workers’ strength lies, not in partnership with EP Group or appeals to a Labour government overseeing the carve-up. The PWRFC calls for:

- A vote of no confidence in Walsh, Ward and the CWU Postal Executive.
- Scrap DM26 and end all cooperation with job cuts and workload intensification.
- End the two-tier workforce and immediately equalise conditions for new entrants.
- Defend the universal mail service as a social right.

The CWU bureaucracy and its partners in the Labour government are fully aligned with the billionaire equity owners. Secure jobs, safe workloads and provision of a public mail service are deemed “unsustainable”. This only makes the case stronger for taking Royal Mail out of private hands and placed under public ownership under workers control which must be taken up to guide the immediate struggles.

Above all, this struggle must be international. Postal workers in Britain, the United States, Canada and beyond face the same privatisation drives and betrayals by their union apparatuses. The PWRFC is taking up this fight as part of the International Workers Alliance of Rank-and-File Committees.



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