

Postal workers discuss strategy to oppose Royal Mail takeover by private equity firm EP Group

Our correspondent
11 June 2024

The Postal Workers Rank-and-File Committee (PWRFC) held an online Zoom meeting on Sunday “Oppose CWU-Labour Party collusion with Kretinsky’s Royal Mail takeover: Organise a rank-and-file fightback!”

World Socialist Web Site reporter Tony Robson opened the meeting saying it was the first time postal workers in Britain had been brought together to oppose the take-over by Daniel Kretinsky’s EP Group since the board of International Distribution Services (IDS)—parent company of Royal Mail—accepted an improved £3.5 billion offer.

While the buy-out has several stages to run after receiving initial clearance from the Conservative government, Robson said the past month had already laid down the battle lines.

Communication Workers Union (CWU) leaders Dave Ward and Martin Walsh are accommodating EP Group’s bid through their “engagement” policy, while the Labour Party had signalled support for Kretinsky’s private equity firm taking sole ownership.

Opposition among postal workers was demonstrated at last month’s *CWU Live Q&A* event on the take-over. The online chat saw postal workers rounding on Ward and the union’s postal executive for their engineered sellout of the 2022-3 national dispute, making them a target for the biggest attack since privatisation in 2013.

Robson stated, “Ward and the bureaucracy’s greatest fear is that opposition will assume the form of an organised rebellion to remove him from office, rejecting his insistence that there is no alternative to the dictates of the capitalist market. This is precisely the fight which must be undertaken, which the rank-and-file committee set out in our May 20 statement.”

Ian, a delivery worker from Greater Manchester, commented on Ward’s token objection to the takeover on the grounds that Royal Mail should not be in the hands of an overseas equity owner, “We need to remember that it is not a single individual trying to buy-out IDS. A number of financial vehicles have been set up to buy the company. The

CWU’s constant referral to one person and that person’s nationality is disgusting. It’s small-minded bigoted nationalism and it’s racist. We should be calling the CWU out on it. Postal workers are in a fight against capitalism.”

The behind-the-scenes political conspiracy conducted by the CWU and Labour Party were reviewed. Labour shadow business secretary Jonathan Reynolds had met Kretinsky at the World Economic Forum in Davos and has approved the take-over based on worthless assurances to “safeguard its British identity and safeguard its workforce”.

The CWU has ditched its formal commitment to renationalisation. Ward and Walsh met with EP Group last Tuesday, describing the closed-door meeting as “useful and constructive” and boasting that next time they would be in the room with the billionaire oligarch.

The warnings made by the PWRFC about the agenda of EP Group’s asset strippers had been confirmed over the past fortnight, with Kretinsky describing the USO (six-day mail service) as “a death grip” and defending future price hikes on first class stamps. He has outlined a major assault on front door delivery, with 20,000 Amazon-style drop boxes and lockers, geared to converting Royal Mail into a dedicated parcel network based on thousands of job losses.

As for the CWU’s claim to be “shaping” the right agreement through a “new ownership/business model” giving all employees “a stake in the future of the business” Robson recalled this was the same mantra used during last year’s sellout.

“Ward’s call for a “joint stake” in the business should spell W-A-R-N-I-N-G in flashing neon lights. The CWU’s most recent “partnership” with Royal Mail was last April’s “Business Recovery, Transformation and Growth Agreement”. It began with the words: “Royal Mail and CWU will jointly rebuild and transform the business to protect and grow good quality jobs and make the company successful again.”

That agreement was a bonfire of postal workers’ rights.

Jim, based at the Midlands Super Hub, told the meeting about staggering levels of casualisation at the company's flagship parcel sorting centre which opened last year. He estimated that for every postal worker directly employed there were five agency workers. This explodes the CWU's myth to have "mitigated" Royal Mail's attacks and protected workers against a gig economy.

Robson explained, "The CWU is blocking any fight and is trying to secure its status as corporate partners with EP Group and an incoming Labour government. Labour is backing the takeover and a Starmer government would be Tory rule under a different name.

"Ward's 'alternative business model' is of a piece with leader Sir Keir Starmer's Industrial Strategy Council between government, business and the trade unions that will be used to oversee increased productivity, police industrial struggles and suppress opposition to war."

Robson said Starmer's Labour Party is committed to escalating the NATO war against Russia in Ukraine, warning its defence of the genocide in Gaza showed there was no line it would not cross. He warned: "There will be no money for health, education and social services, only for the war machine, and this will encounter mass opposition."

Anne, from a large mail centre in west London, agreed: "Starmer's Labour and the CWU are both behind Kretinsky. The CWU are not working for the members. It looks as though they are taking money under the table and working for the bosses. There is no difference between Ward and Walsh." She described brutal work practices at Royal Mail: "They are keeping workers in hell, there is real cruelty, what you are saying is right. They are using the PDA's (hand-held devices) and CCTV to spy on and intimidate workers."

The meeting discussed a proposed draft motion to organise workplace meetings in opposition to the shambolic gate meetings being arranged by CWU officials supposedly to update members on the take-over. The resolution (see below) was discussed by those in attendance and is being circulated at delivery offices and mail centres as part of a rank-and-file fightback.

George, a delivery worker from Glasgow, suggested that members could withhold their dues from the CWU in protest over its collusion with the company. Robson pointed out that Ward's salary of £143,000 places him easily in the top 5 percent of income earners in the UK, with a direct stake in the exploitation of his own members. But the CWU's unaccountable apparatus had to be dismantled by a rank-and-file movement built up from below at every mail centre and delivery office, challenging the dictates of the corporate oligarchy.

Concluding the meeting, Robson encouraged postal workers to support the campaign of the Socialist Equality

Party in the general election to prepare the necessary political fight by the working class against an incoming Labour government of austerity and war.

Model resolution

This gate meeting demands the immediate resignation of the entire CWU Postal Executive over their collusion with Royal Mail-IDS and their announced policy of "engagement" and backroom talks with asset stripper Daniel Kretinsky's £3.5 billion takeover bid.

We further call for a campaign of non-compliance with the Business Recovery Transformation & Growth agreement rammed through by the CWU on the basis of disinformation and lies, including bogus threats of administration.

None of the issues that led to 18 days of strike action have been resolved, they have only worsened. A toxic workplace environment, impossible workloads, management bullying and massive breaches of the USO have all been ratified by the CWU.

We call for a work-to-rule, with a complete ban on overtime. The workforce has been cut to the bone, with around 10,000 co-workers driven to quit. This has been used to entrench a two-tier workforce agreed by the CWU with new entrants hired on inferior terms and conditions and gig economy contracts leading to huge attrition rates.

An overtime ban is needed to oppose industrial-scale health and safety breaches and an unofficial policy of forced overtime that has lengthened the working day. CWU officials must not be allowed sanction the loss of paid meal break time to supposedly mitigate the later start and finishing times which have torn up any work-life balance. This race to the bottom must be halted!

We resolve to establish a rank-and-file committee to draw up our list of grievances. We encourage our brothers and sisters across Royal Mail at delivery offices, mail centres to do likewise and share their information to co-ordinate our response. Our rights and the defence of a mail service for the public must take priority over the profits of the corporate oligarchy.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact