

Communication Workers Union welcomes Ofcom's announcement gutting Royal Mail USO

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Ofcom's announcement on January 30 confirming "a package of reforms to the Universal Service Obligation" (USO) has been embraced by the Communication Workers Union (CWU).

General Secretary Dave Ward issued a press release confirming the CWU's support for the regulator Ofcom's reduction of mail services while retaining daily parcel delivery six days a week, describing it as a "legitimate" response to "a permanently changed world of communications".

Ofcom's announcement sets the stage for a major restructuring of Royal Mail to be locked in place for new owners EP Group led by billionaire Daniel Kretinsky. The £3.5 billion takeover—rubberstamped by the Labour government and endorsed by the CWU—will see automation used to slash thousands of "legacy" jobs, and dismantle the mail service to accelerate the shift to a parcel-led business modelled on Amazon.

The CWU postal executive are the chief enablers for this strategy. Martin Walsh, Deputy General Secretary of the CWU's postal division, signed a "Framework Agreement" with EP Group in December, supporting the takeover. One day later the CWU announced a "pilot scheme" to trial Royal Mail's "Optimised Delivery Model" at 37 offices.

The *CWU Live* online meeting held last Thursday was staged to coincide with Ofcom's announcement the same day. This was fronted by Tony Bouch, CWU Outdoor Assistant Secretary. It was part of a deluge of comms from head office defending the "USO reform" pilots in the face of mounting opposition from postal workers.

Delivery workers have slammed the pilot scheme. It is being introduced over their heads to bulldoze through Royal Mail's £300 million a year cost-cutting agenda, eviscerating the mail service and eliminating thousands of jobs.

While CWU officials claim Ofcom's USO reform proposals will "improve quality of service", postal workers at pilot locations are reporting the exact opposite, with the

new delivery model set to ramp up workloads.

Walsh has openly admitted that "the USO changes are designed to make money".

Thursday's *CWU Live* event, hosted by Novara Media presenter Michael Walker, was titled, "Everything you wanted to know about USO reform". A more fitting title would have been: "How postal workers can help Kretinsky make billions".

Bouch used his opening remarks to welcome Royal Mail's forecast of cost savings.

Walker helped promote the CWU's deceitful packaging of "USO reform" as improving "quality of service", telling Bouch: "presumably this is to solve the problem lots of people feel [that] they are not getting their letters for weeks."

In fact, Ofcom's headline proposals will reduce the speed and frequency of mail deliveries for millions of households.

Targets for First Class mail delivery are to be reduced from 93 percent to 90 percent for next day delivery, and for Second Class mail from 98.5 percent to 95 percent. In addition, "backstop targets" have been built in, allowing Royal Mail to deliver First Class mail within three days and Second Class within five days.

The CWU is fully on board with Ofcom that the USO is "an unfair financial burden on Royal Mail". Bouch repeatedly cited Royal Mail's "financial difficulties", stating the company would save £300 million a year through the USO restructuring that would help create a "level playing field" for the business.

Walker introduced a video clip from a BBC interview with an Ofcom representative to present the overhaul of the mail service as the inevitable outcome of a 70 percent decline in letter volumes.

The regulator has allowed Royal Mail to collapse letter delivery while issuing a few financial slaps on the hand in fines for violating its legal obligations and creating "postal deserts". Ofcom boasts its "package of reforms" would

deliver savings of between £250 million and £425 million to “redeploy existing resources to growth areas such as parcels”, in lockstep with the Kretinsky takeover.

Bouch acted like a company spokesman, describing the falsely named “Optimised Delivery Model” drawn up by Ofcom and Royal Mail as “the lesser evil”. If it wasn’t accepted, even worse options would be imposed, such as mail deliveries once a week, resulting in mass job destruction.

Bouch’s threats, amounting to blackmail against his own members, aimed to drive home the message that “there is no alternative” (TINA). Dave Ward used the same argument in 2023 to push through the Business Recovery, Growth and Transformation Agreement (BRTGA) co-authored with Royal Mail executives.

That agreement unleashed an historic attack on terms and conditions, including seasonal work rosters, sick pay slashed, a two-tier workforce and the use of PDAs to monitor and drive-up workloads. Ward told members that if they did not vote for the agreement, they would drive the company into bankruptcy, an outcome he described as “Armageddon”.

A video clip of Ward speaking to BBC Radio 5 was also shown at the *CWU Live* event. He posed as a champion of postal workers, holding out the prospect they would be treated as an “asset” by the company’s new owners.

In the chat section of the online meeting—which postal workers are restricted to using as they cannot ask questions or make points directly to the speakers—comments built up challenging the CWU’s spin.

Bouch swerved answering workers’ questions about the number of jobs targeted for destruction, saying: “While there may be a total reduction in jobs, there will be a greater proportion of full-time jobs to part-time than the current full-time/part-time split in the future.”

Bouch claimed the CWU had endorsed the USO pilot scheme based on Royal Mail’s agreement to “uplift” around 11,000 part-time workers to full-time contracts. But this claim has quickly backfired, with revelations that most of these workers were already working full-time while being denied their rightful contract.

CWU officials have worked to conceal the extent of the jobs massacre they are “modelling” behind closed doors with management. Walsh, the key signatory to the USO reform pilots, has only answered this question when pressed. Last November he cited 1,000 voluntary redundancies and 6,000 through “natural wastage”. Around a fortnight ago, he cited figures of between 1,600 and 2,600 voluntary redundancies.

Bouch rattled off examples of how the USO pilots will work, including delivery workers taking on two walks and

longer delivery spans, claiming this would not be “detrimental” to working conditions. He had the front to talk about having to “think through fatigue” after stating at a previous *CWU Live* in November that postal workers could deliver a parcel per minute!

He failed miserably to fend off suspicion, evident from the questions filtered through to him by Walker. These included a worker from a USO pilot workplace who protested his duty pattern had been removed because the “union was getting into bed with management”.

Another worker objected they had not been informed their office was part of the trials, and an ex-union rep said the pilots were being run in the off-peak period to game the results, so the restructuring could be approved across delivery offices nationally.

Bouch stated that the USO pilots would not mean removing delivery workers from their established round—but this was because they would be expected to do extra rounds! He used the scenario of two postal workers in a shared van duty delivering across “four geographical areas as opposed to two” over five days, which only served to confirm the gig economy style working conditions the CWU is working with management to enforce.

The USO pilots are to be rolled out on a phased basis, within individual delivery offices and across the 37 units up to May to try and break down any unified opposition. The pro-market gaslighting of workers to enforce the scheme on display at the event confirms that postal workers need an independent strategy to fight. The Postal Workers Rank-and-File Committee is calling for collective action by the shop-floor to oppose the CWU-Royal Mail pilots:

“Postal workers must put a stop to these plans! Emergency meetings should be convened at all affected sites to countermand the CWU hierarchy, reject participation in the pilot schemes, and outline key demands for the protection of jobs, terms and conditions, and the defence of the USO. An appeal for support should be made to workers across Royal Mail, including at Parcelforce and GLS, and to workers at Amazon, UPS and Evri to oppose the race-to-the-bottom.”



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