
CMA Sector

28 February 2008

Mr J Millidge
Director Employees Relations
Royal Mail
148 Old Street
London
EC1V 9HQ

Dear Jon

In reply to your correspondence dated 27 February 2008 regarding my circular to my members dated 25 February 2008.

I am pleased that you are continuing to receive these circulars and that you have no doubt been impressed with the consistent message that I have given to my members through this long process.

I am sorry if you believe that I have misled my members on Royal Mail's position regarding their pensions. I have consistently advised my members from the outset that the position of Royal Mail has been to safeguard the Final Salary scheme for existing employees.

I have also advised my members that during the consultation process Royal Mail has made it abundantly clear that the "proposals" were not cast in stone and that Royal Mail would listen to their staff,

The fact remains that on the principle "proposals" I can find no suggestion that they were anything other than cast in stone and that the Final Salary scheme for existing employees does not feature in the "decision". Should the truth be any different to this then I am sure that you will let me know.

We have consistently accepted that there needs to be some reform/change to the current pension arrangements as outlined by the business from the outset. If any problems have arisen then they are due to the business changing its position on the principle "proposals".

As far as I am concerned, Unite have not reneged on any commitments that we gave. In fact, we have supported the consultations throughout the entire laborious process.

We have worked with Royal Mail during this process and have been up front and honest when conveying our member's views to the business. The fact that you may not like those views probably explains the tone contained within your correspondence.

Having said that, I am convinced that my members are mature enough to reach their own conclusion on this matter having considered all the issues that affect them, their families and the business.

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Unite will support their members in whatever decision they reach and at this stage that decision has not been made.

Given all the other issues confronting the business and because it is the right thing to do, I will continue to impress upon Royal Mail the importance of working together and striving to reach agreement on the key issues.

Working together does not mean us automatically supporting every decision that the business may make. It means finding solutions to problems that both parties can support within the given circumstances.

We do have an agreement on the need for, and the process to reform, pensions. What we do not have, and what we have advised you on the need to achieve, is an agreement on Royal Mail's decision. You have failed to leave us in a position where we could move from supporting the principle "proposals" to recommending the "decision".

I honestly believe that now is not the time for posturing. We have a joint responsibility to both the business and the staff within the business to find an acceptable solution to this issue.

I believe that a solution is achievable but we would need to chip away a few stones to find it.

I would be happy to meet with Royal Mail at any time in an attempt to find that solution.

I trust that you will give further consideration to your position on this matter so that we can move onto the other issues facing the business.

Yours sincerely

A handwritten signature in black ink that reads "P. K. Reuter".

Paul K Reuter
National Secretary