

NUPE Action Pack

# CAMPAIGNING FOR CARE in social services—

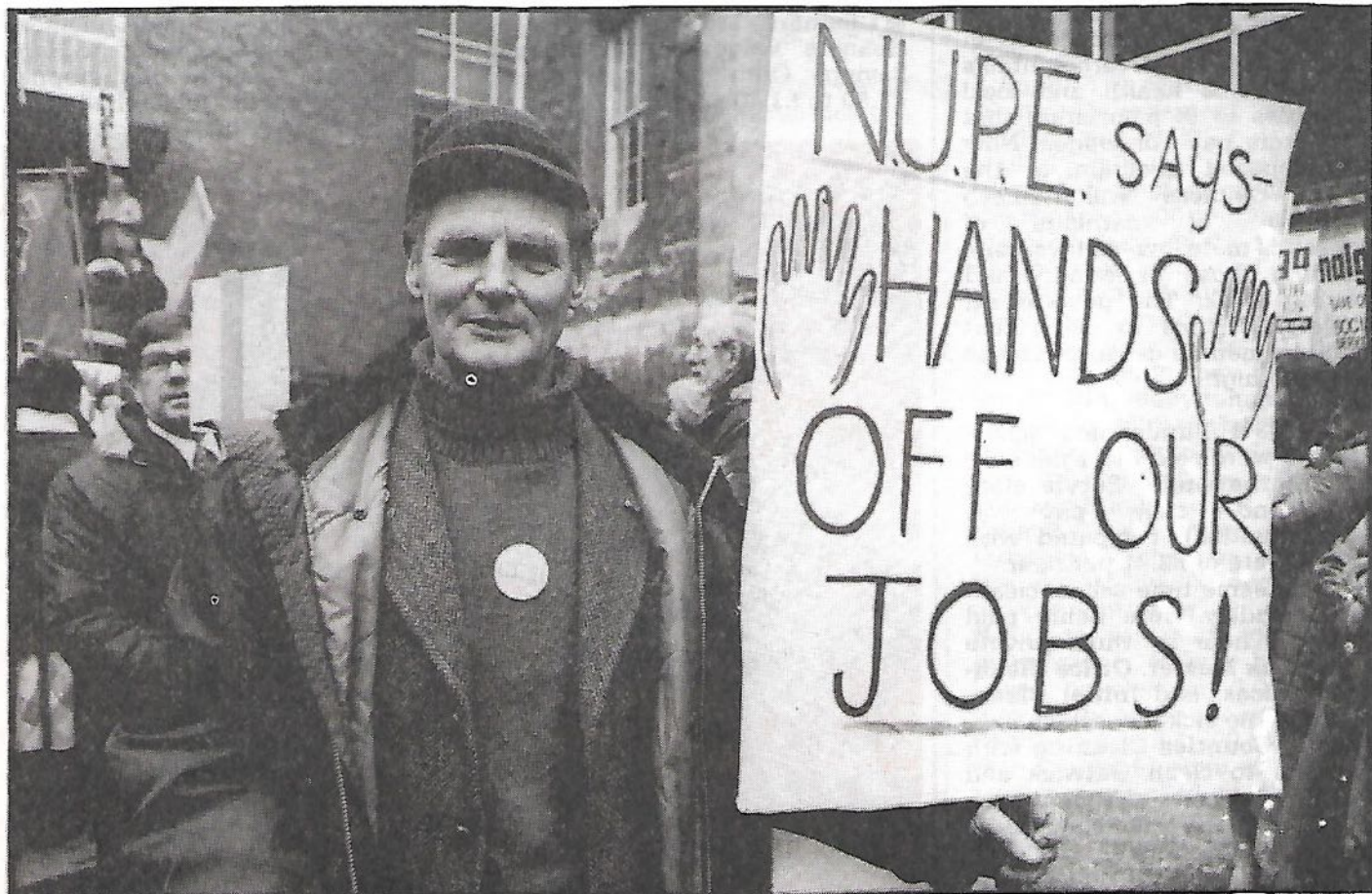
## WORKING FOR CONTRACTORS

For workers, privatisation does not just mean a change of management. The experience of people working for the companies that have won contracts in local government services, the NHS and central government offices over the last few years has been lower earnings, worse terms and conditions, greater workloads, lower Health and Safety standards, inadequate equipment and materials, loss of job security and trade union protection. Their experience has proved what was expected: a contractor who claims to be able to do the job more cheaply than direct labour and make a profit, which is the sole reason for his bidding for the work, must be cutting something — the standards of service and conditions for workers both pay for the 'savings'.

### JOB LOSSES

On average, over 28% of jobs have been lost when council services have been privatised. Contractors make 'savings' by employing fewer people and making them work harder. In Wandsworth over 1,000 jobs have been lost in local government since 1981 in privatisation and cuts programmes including refuse, cleansing, cleaning, caretaking, grass cutting.

Philip Wolmuth





In this section we give examples of the experience of privatisation for workers in local government and the NHS in the last few years. The services and jobs may vary — but the employment practice of the companies involved is remarkably similar. And it's the same multinational companies, with all their subsidiaries set up to bid for different types of service, which are seeking and winning contracts throughout the public sector for everything from refuse collection to school cleaning and catering and hospital laundry and cleaning. So we can expect the same treatment meted out to workers wherever services are privatised — with the encouragement of a government determined to go on cutting public spending, to force down wages, and to destroy trade union organisation.

● When **Sutcliffe's** took over the supply of social services meals in Spring 1984 in the London Borough of Merton (which they've now given up), 60 kitchen staff lost their jobs and others were downgraded.

● When **Mediclean** won the cleaning contract at Hammersmith Hospital, total jobs were cut from 207 to 158, with full-time jobs cut from 122 to 28.

● Privatisation of refuse collection and street cleaning resulted in 81 jobs lost in Merton, 84 in Southend and 202 in Wirral.

● 4700 cleaning jobs have been lost in the privatisation of cleaning of Ministry of Defence Offices.

## LESS PAY

There are no nationally agreed rates for people working for private firms in many jobs, so contractors can pay what they like. The Fair Wages Resolution which required government contractors to pay the negotiated rate for a job, was abolished in 1983, since when Government has tried to force health and local authorities to stop insisting that contractors pay fair wages. Now the proposed abolition of the Wages Councils will remove protection of earnings of thousands more low paid workers, including those in laundry and catering work. The government consistently tries to claim that unemployment is caused by wages being too high!

● In 1983-4 Birmingham school cleaners were paid £1.71 per hour by **International Servisystem** (with no sick pay or superannuation), compared with the NJC rate of £2.21 per hour.

● At the same time school cleaners in Dudley were being paid £1.33 per hour by three private firms: **Task Master**, **Office Cleaning Services**, and **Initial Cleaning**, (with no sick pay schemes).

● **Home Counties Cleaning** with contracts to clean Gatwick and Heathrow airports and many government offices, pays some of its cleaners only £1.20 per hour.

● Care assistants in private resi-

dential homes are reported to earn as little as £1.40—£1.50 per hour.

## NO WAGE RISES — CUTS INSTEAD

● Street cleaners employed by **Pritchards** in Wandsworth received no pay rise in 3 years despite an inflation-proof contract between the company and the council.

● Contractors have frequently introduced wage cuts after winning contracts. When the Fair Wages resolution was abolished there was a spate of these —

● **Exclusive** cut cleaners' wages at the Risley offices of the UK Atomic Energy Authority to £1.50 per hour, with paid holiday reduced from 4 to 1 week. The cleaners are currently on strike (Spring 1985). **Exclusive** cleaners at the Inland Revenue Office at Lalanishen successfully fought off a similar wage cut with industrial action.

● **Cleaners Ltd (Pritchard)** cut cleaners' wages at the National Savings Office in Durham from £1.80 to £1.40 an hour.



## SAME HOURLY RATES — BUT EARNINGS STILL SLASHED

On some private contracts, particularly those recently awarded in the NHS, other tricks are used to attack workers' earnings. Contractors agree to pay the same hourly rate as that received by direct labour, but cut hours, bonus and enhanced rates.

● **Crothalls (Pritchard)** in their cleaning contract at Barking Hospital have abolished bonus pay and cut cleaning hours — reducing some cleaners' weekly pay from £57 to £17.

● **Exclusive** took over the cleaning contract at Chatham Hospital and took weekend work away from regular cleaners, to whom enhanced rates for weekend work were essential to make up a living wage. They took on extra part-timers for weekends at basic rates.

● **Mediclean** cut the enhanced rate for weekend work at Hammersmith Hospital and stopped bonus payments which had made







up about 25% of domestics' wages. They also cut hours, leaving most cleaners with only 15 hours per week.

● **OCS** slashed cleaning hours at Addenbrookes Hospital, Cambridge by 40-60%, producing massive cuts in earnings for domestics.

## WORSE TERMS AND CONDITIONS

In the area of conditions of employment all private contractors, without exception, offer workers a worse deal than public employers.

● Many contractors have no sick pay scheme beyond the statutory minimum, particularly the cleaning companies. Some of the refuse companies have a scheme, but they bear no comparison to direct labour schemes.

● In tenders for the Liverpool refuse contract April 1983:

**Grandmet offered:**

- 1 week on half pay after 13 weeks
- 2 weeks on half pay for 1-3 years service
- 4 weeks on half pay for 3-5 years service.

**Pritchard offered:**

- 8 weeks on half pay after 1 years service.

**Council scheme:**

- 4 weeks on full pay & 4 weeks on 1/2 pay after 6 months
- 16 weeks on full pay & 16 weeks on 1/2 pay after 3 years
- 26 weeks on full pay & 26 weeks on 1/2 pay after 6 years.

**Taskmasters** allow Merton refuse workers only 3 weeks full sick pay per year.

- Most contractors have no pension or superannuation schemes.
- Many cleaning contractors have no holiday pay. Others offer 2 weeks per year only. Holiday pay for refuse workers varies from 20 days after 1 year to 20 days after 4 years.

## CUTTING HOURS

Contract cleaning companies in all sectors try to employ as many workers as possible for 15 hours a week or less. This means that workers have no rights under employment protection laws and the employers avoid responsibility for National Insurance contributions and Statutory Sick Pay.

## GREATER WORKLOADS

Contractors' claims to be able to provide the same service as direct labour with fewer workers means, of course, that the workforce have greater workloads.

● **Grandmet's** bid for the Wirral refuse contract involved a plan for collectors to empty 504 bins each day (5.4 tonnes of rubbish), 'walking' 27 miles a day at a speed of 8.7 miles per hour! (Council workers were expected to empty 21 bins a day, walk 14 miles a day, at 2.7mph). The contract was won by **Waste Management** for whom workers empty 275 bins per day, walk 17 miles at 3.7mph. There have been constant problems with the contract: 600 complaints were received daily for the first month of the contract, and after 15 months totalled 30,000. The company was forced to increase its workforce from 110 to 181, but despite this being only 7 less than the old DLO, daily tonnage shifted was 20% less than the DLO's rate. A 2-month strike in Spring 1984 brought improvements in terms and conditions — but it was the council, and ultimately the ratepayers, who had to fork out the extra £250,000 over 4 years, not the contractor.

● Recent contracts for cleaning government offices have been based on cleaning 2,000 square foot per hour, as against the Civil Service norm of 1,500 square foot.

● In Cambridgeshire school cleaners were expected to clean classrooms in 10 minutes instead of 20 minutes under direct labour: to maintain standards some reported





working between 5 and 16 hours unpaid overtime each week.

● Private contractors winning hospital cleaning contracts have offered to clean hospitals with greatly reduced workforces and cleaning hours: automatically this means that workers take on far greater workloads.

● A TV documentary on contract cleaning showed a cleaner at Addenbrookes Hospital trying to work according to the OCS schedule: this meant running with floor cleaning equipment, whisking a damp cloth round a sink and bedside locker etc. It was impossible to do the job properly in the time allowed and even attempting to do it subjected the worker to unacceptable physical strain.

## LOWER HEALTH & SAFETY STANDARDS

Concern about health and safety is not profitable and there are many cases of negligence on these issues by private contractors.

● A study of Wastecare's dustcarts in Wandsworth in late 1984 showed that 8 of the 13 vehicles used to collect the large paladin bins from estates were in such dangerous condition that 'they should be taken off the road immediately'. Two had jagged metal edges protruding which endangered other road users as well. In Basingstoke, health and safety matters were an issue in a strike by Wastecare refuse workers.

● Exclusive refuse workers in Milton Keynes reported 'no toilet

facilities, no safety training'.

● A cleaner working for Mediclean at St Heiers Hospital, Carshalton, Surrey reported being taken on with no health check, staff being given no instructions about precautions against cross

infection and no training. She witnessed cleaners using the toilet mop to clean the clinical examining room of a surgical ward and has described the hospital as 'an infectious time bomb waiting to go off'.

## WORKING IN PRIVATE HOMES IN THE EAST MIDLANDS

SCAT has obtained information from 20 ex employees from residential and nursing homes owned by one individual based in the East Midlands. This reveals:

- a third of all those spoken to were teenagers.
- wage rates for auxiliaries were in the range of £1.30-£1.50 in 1984.
- there was exceptionally high turnover of staff.
- no payments were made for overtime, weekend working or night shifts.
- staff were expected to work bank holidays and Xmas holidays as normal days without extra pay.
- No-one was given a contract of employment.
- their overall impressions were of chronic pay for considerable responsibility and a very hard pace of work and of an uncaring employer.
- several left to join the NHS where they found the differences in employment practices 'very considerably better'.

