

PUBLIC SERVICE ACTION

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AN ANTI-PRIVATISATION NEWSLETTER FOR THE LABOUR MOVEMENT No. 16 JULY 1985

PRITCHARD'S!



Pritchard's security guards in Thailand. In Bangkok, the company has the contract to guard the US Embassy.

INTERNATIONAL LINKS

This issue of Public Service Action looks at the worldwide activities of Pritchard Services Group PLC. The company's sharp employment practices, anti-union policies and massive exploitation of women and migrant workers have been successfully tried and tested abroad for many years. These policies are now being applied to workers in the UK as Pritchard's wins more public sector contracts.

Statutory tendering will soon become law. Companies like Pritchard's will be looking to further expand their takeover of public services.

They will fail if public service workers and users not only defend public services and fight privatisation but also organise together with contractors' workers already operating public sector contracts.

Pritchard's workers are already organising in the UK, USA, France, New Zealand, South Africa and elsewhere. The company is worried by these developments as it can only operate successfully with a compliant workforce. Anti-privatisation campaigns must begin to organise across services — and across the world.

PRITCHARD WORLDWIDE



Peter Pritchard, Chairman of Pritchard Services Group PLC. His salary for 1984 was £63,000, excluding pension contributions.

Pritchard Services Group PLC claims to be the largest public company in the UK providing specialist cleaning and allied services. Based in London, it operates from over 100 centres in the UK. Subsidiary and associate companies operate in seventeen countries throughout the world.

In the UK, the company has held NHS domestic services contracts for over twenty years, but its cost cutting, wage slashing and inadequate standards have really only come to light since this Government's privatisation policies took hold.

Pritchard's holds numerous other public sector contracts around the country including: cash in transit services for Sheffield City Council, pest control for Salisbury District Council, cleaning and maintaining street lighting for Westminster City Council, supplying hygiene goods to Norwich City

Council and cleaning the GLC's Covent Garden Piazza.

Recent Growth

Its rapid growth since 1978-79 reflects the company's strategy of building a group of companies that can provide complete packages of services to the NHS, Central and local government and other authorities.

Worldwide, the strategy is the same and company literature claims that because of its unmatched expertise abroad, it is well placed to handle any UK public sector contract.



Spring Grove is now the UK's third largest towel and workwear rental company. It has over 200 public sector contracts.

"Several years ago, a dozen Pritchard managers including the chief executive, went out to Australia to clean floors for a month, because they wanted to know how it was that the Australian employees cleaned faster than those in England. The lessons they learned gave the company an extra edge in new tenders".

(from The Winning Streak 1985)

"During a strike at Manchester airport, two of our directors from London cleaned the floor for four weeks. When a crisis occurs in this company, managers are expected to tell their wives that the job comes first".

● Pritchard companies worldwide operate within eight principal divisions:

- Building Maintenance
- Hospital Support Services
- Home Health Care
- Textile Rental
- Industrial and Municipal Services
- Catering and Vending
- Security
- Hygiene Products Distribution

● Pritchard's employs over 51,600 people, 15,500 of whom are in the UK.

Building Maintenance	30,600
Hospital Support/Health Care	12,100
Catering and Vending	2,600
Security	4,600
Textile Rental	1,700

51,600

● Turnover and profit by country:

	Turnover	Profit
North America	62%	44%
United Kingdom/Ireland		
Ireland	19%	41%
Australasia	13%	11%
Europe, Far East and South Africa	6%	4%
	100%	100%

● 1984 turnover by activity:

Hospital Support Services/	
Home Health Care	36%
Building Maintenance	35%
Catering and Vending	17%
Textile Rental and Security	12%
	100%

● The Group's turnover and profits have grown steadily over the years but since 1978 there have been massive increases:

	Turnover £m	Profit £m
1975	37	1.4
1976	44	1.7
1977	45	2.2
1978	53	2.6
1979	74	2.4
1980	86	3.5
1981	177	6.1
1982	296	12.4
1983	324	12.8
1984	447	15.1



Wandsworth, April 1982. Pritchard's breaking the refuse collectors' strike against the company.

Pritchard's: Green Paper To Go Further

Pritchard Services Group PLC has submitted observations to the Government on the recently published Green Paper on statutory tendering (see PSA 14). Pritchard's "warmly welcome" the Green Paper and the company's recommendations include:

- there should be no exemptions. Every specified activity should be open to competitive tender irrespective of scale. This will give opportunities to local entrepreneurs as well as the large multinationals.
- the government should make recommendations aimed at preventing individual departments within or between authorities going through the same learning curve. These could include setting up a central tender department within each authority or making available model contracts requiring only specifications to be determined locally.
- legislation should include provisions to declare void any terms and conditions which are not related to the performance requirements (such as "take vehicles, depots, union agreements" etc).
- legislation should allow action



Philip Wolmuth

to be taken against any authority which negates the results of competition and should require them to reissue invitations to tender.

Pritchard is also concerned whether:

- it is reasonable to expect council officers who are themselves bidding on behalf of their own department to be impartial in evaluating tenders.

- penalties can be applied to the DLO or in-house team which are consistent with deductions/fines imposed on contractors.

The document also boasts of the company's various successful contracts (but somehow misses out its catalogue of failures) and concludes "our experience to date shows that enormous savings are available to local authorities through the use of the private sector with no reduction in the quality of services. Indeed, services will often noticeably improve. As some irresponsible authorities appear to continue to place tradition and political dogma before value for money, then legislation is clearly required".

Wandsworth Muck But No Money

Since 1st February 1982, Pritchard's has operated the street cleaning contract in the London Borough of Wandsworth. Wages, conditions and management practices have been so appalling that the workforce turnover has reached over 1,000 for just 80 jobs in three years.

The workers' grievances include:

- No pay rise in three years yet Pritchard's has an inflation-proof contract that gave the company an extra £69,431 on top of the basic price. Road sweepers' wages for a 40 hour week are £90 basic plus £20 attendance bonus plus £10 performance bonus. (The performance bonus was cut from £15 in August 1982). Drivers' wages are £95 per week basic plus £20 attendance bonus and £10 performance bonus. Overtime is time and a half with double time for Sunday working. Holidays are 6 days in the first year and fifteen days per year thereafter.
- The company has a policy of employing youths under 18 on a £65 per week basic wage — although many new workers over the age of 18 have been taken on at that rate.
- Breaches of the Health and



Safety at Work Act include failure to provide protective clothing. Workers have had to wait up to six months for essential items.

- The company is slow to provide proper equipment: most of the machines are out of order and tools have deteriorated without replacement. Workers have been forced to use metal shovels with no handles and bits of wood to pick up refuse.

- Dumper vans are not maintained and are dangerous and difficult to handle.

- Conditions in the depots have deteriorated badly: facilities for the workers such as drying out areas are non-existent. Toilets are closed most of the time. Soap and hand towels are not provided.

90% unionised

Despite the rapid turnover in the workforce, some 90% of the workers have joined the Transport and General Workers Union (T&GWU) and a stewards system has been set up to collect dues and maintain contact with the union officials. The T&GWU has been trying to negotiate with Pritchard's for recognition and improved wages and conditions. Despite months of correspondence between the union and the company no recognition has been forthcoming and the company has refused to discuss the grievances.

Meanwhile individual workers have allegedly been threatened with dismissal by local management if they intend joining the union. So far the workers have held a number of mass meetings and a ballot to consider strike action but some of the workers have been so intimidated by management that they are worried about losing their jobs — as bad as things are.

USA

Pritchard's is the second largest company of its type in the USA. In 1984 most of the parent company's capital was spent on buying up companies in North America. It is moving towards complete hospital management and providing health care services which are cheaper for the insurance companies than proper hospital treatment.

Crothall American has 250 hospital contracts in the US. In 1983 it won 40 new hospital contracts including:

- St Barnabas Medical Centre, New Jersey; 11 US Air Force hospitals, including the 1400-bed Wilford Hall at Lackland Airforce Base, San Antonio, Texas; St Mary's, San Francisco (housekeeping management and laundry); Erlanger Medical Centre, Chattanooga, Tennessee; Beaver County Medical Centre; Pittsburgh Hospital; Westchester Medical Centre, New York; Tennessee Veterinary Hospital.

Pritchard's also owns **Kimberly Services** (80 offices providing home nursing and health care — although only about half are Medicare registered); **Ambicare**, which has three centres doing quick surgical operations (Medicare insurance pays back 100 per cent if you do not stay in hospital to recover, only 80 per cent if you do) and **Medi-Home Health Services**. In the first half of 1984 Pritchard's won 24 new hospital contracts — 6000 beds in all.

Building maintenance contracts include: Bell Laboratory building, New Jersey; Atlanta Airport (which has floors the size of 54 football pitches); Eastern New Mexico University; Palmont Hall, Colorado College. As part of its rapid expansion, Pritchard's has recently bought **Atlantic/All State Cleaning Fortis Maintenance** — to break into cleaning New York skyscrapers.

Pritchard's is expanding its food services operations: in 1983 **Food Concepts**, a company with contracts in 200 commercial and industrial workplaces was taken over for £8 million.

In February 1984 the company bought **Automatic Catering** with 70 vending machine contracts and a turnover of \$90 million a year, but these companies have been losing contracts under Pritchard management. **Crothall Food** sells its services to hospitals, military and educational establishments and **Crothalls Healthcare Food** has a turnover of \$100 million a year.

UNION BUSTING USA



Philip Wolmuth

A Pritchard's worker at Atlanta International Airport

Pritchard's has been engaged in a long running anti-union campaign in Atlanta, Georgia.

The company has been trying to prevent union representation for workers on the company's cleaning contract at Atlanta International Airport. Pritchard's hired union busting consultants Affiliated Business Resources Inc (ABR) of Jacksonville, Florida and a notorious anti-union law firm, Ford & Harrison to help with the campaign.

The company continually distributed anti-union material, held anti-union meetings with the workforce: workers were intimidated and threatened with dismissal if they even talked about the union at work. One cleaner was suspended indefinitely for putting union literature on a notice board.

Union fightback

Pritchard's campaign was met however by a strong response from the Service Employees International Union (SEIU) who finally forced the company to sign a two year agreement. Despite this agreement, Pritchard's continue their anti-union practices. A full report on Pritchard's tactics and the SEIU's campaign appeared in PSA No 12, copies of which are still available on request.

Policy Not Practice

Pritchard's publicly-stated employment policies include:

- "..... the employment policies of the Group's member companies vary with local circumstances and the particular sector in which the company operates".

- "..... to encourage employment opportunities for men and women and to ensure that adequate and suitable consideration is given to

the requirements of racial groups in any particular area".

- "..... gives sympathetic consideration of the employment of disabled people. No special facilities are provided for training the disabled but all employees are given equal opportunities for working, training, and promotion having regard to their particular aptitudes and abilities".

- "..... encouragement is given to local management to seek constantly to improve communication with their employees at all levels whenever this is practicable".

"At Pritchard, says a junior executive, we have extraordinarily good incentive schemes, usually running to at least one-third of salary".

(from *The Winning Streak* 1985)

Crothall:

Pay and Conditions in the NHS

Crothall's has been operating in the NHS for over twenty years, so many of the company's contracts were awarded before this government forced health authorities to put services out to tender. Pritchard's companies' existing NHS contracts are said to be worth over £10 million and the company is currently bidding for at least another forty contracts.

The company has won ten new NHS contracts this year, including:

- domestic services at Warneford Hospital, Leamington Spa
- domestic services including caretaking at 12 clinics for Croydon DHA
- domestic services at 4 psychiatric hospitals for Cornwall DHA
- domestic services at Westminster Hospital, London

Another Pritchard's company, Lesters Health Care Services Ltd recently won the domestic services contract at the Ministry of Defence Hospital at RAF Ely. This contract is now under the direct control of Crothall's.

Crothall's operates 'management only' contracts where they supervise NHS staff as well as directly employing its own domestic staff. None of the company's promotional literature refers to lost contracts, fines or failures!



Authority & Basic Rates	Shifts	Bonus	Maternity Provision	Holidays	Pension	Sick Pay
Aylesbury Vale DHA (1985) - Whitley Grade I - supervisory rate	no regular staff at weekends Grade I only	none	none	10 days first year	none	SSP only
Burnley Pendle & Rossington DHA* (1985) - £1.725 basic grade staff - £1.985 supervisory rate	No enhancements Sats x 2 Suns x 1½ after 40 hour week x 2 bank hols x 1⅓ between 9 and 10pm	none	none	10/15 days after 1st 6 months	none	1 week per year after 4 months
East Birmingham DHA (1985) - £1.725 basic grade staff - £1.985 supervisory	No regular staff at weekends No enhancements Sats x 1¼ Suns x 1½ bank hols and no day in lieu	none	none	none first 12 months 2nd & 3rd years - 2 weeks paid, 1 week unpaid	none	SSP only
Central Birmingham DHA (1985) - all staff on Whitley grade 1	n/a	none	none	no paid annual leave 1st 12 months	none	SSP only
East Surrey DHA (1985) - Whitley grade 1 all domestics	No enhancements Sats x 2 less 50p per hr Suns	none	none	8 bank hols per year no day off in lieu	none	SSP only
Redbridge DHA (1985) - Whitley grade 1	no enhancements Sats	none	none		none	SSP only
Hammersmith DHA* - £2.09 per hour - Whitley rises in yearly arrears - no supervisory rate	Enhancements on Sundays only	none	none	2/3 weeks after first year	none	SSP only

* as proposed in submission — see DHA

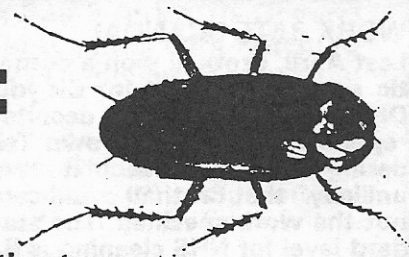
Source: NUPE

Yardley Green ANOTHER CROTHALL'S FAILURE

Crothall's recently won the domestic services contract at Yardley Green geriatric unit in East Birmingham. Hours have been cut by over 600 and jobs reduced from 80 mostly full-time to 54 mostly part-time. Only eight of the original NHS staff went to work for the company. In the first week of the contract, seventeen workers walked out, including most of the former NHS staff.

While privatising the service, the DHA appointed a contracts manager (on a salary of £12,000 pa) and retained the services of the existing domestic services manager for a further six months — just to monitor Crothall's contract. In addition, two members of the DHA inspect the hospital once a month. COHSE claims however, that

Crothall's knows in advance when the inspection is to take place and so organises a 12-hour non-stop cleaning blitz the day beforehand. The company is now having extreme difficulty recruiting staff and the standard of cleaning in the unit has deteriorated.



Ultimatum

Floors are reported to be left dirty in the mornings. The company is also using large cleaning buffers on the wards which do not fit between beds. The machines are disturbing the patients and causing problems when bumping into equipment such as drips. COHSE claims that the DHA has given Crothall's an ultimatum to improve standards or lose the contract.

UK News

THEFT!

COHSE members at the East Surrey Hospital recently exposed the fact that Crothall, who manage the domestic services contract at that hospital using NHS employed staff, used NHS staff to carry out cleaning duties at the Ellen Terry Nursing Home, another Crothall contract in another health authority! The company admitted to the scandal and gave a written unreserved apology for the occurrence.

LOST CONTRACT

At the Moorfields Eye Hospital London, Crothall held a domestic services management contract for some years but this was terminated on 1st October 1984. One of the reasons for terminating the contract was the DHA's difficulties "particularly where it became necessary to discipline members of Crothall's management/supervisory staff or where Crothall's management on site required the hospital management to discipline members of their own domestic services staff." In addition Crothall had a high level of turnover amongst their off-site managers.



WORK RATE SCANDAL

Last April, Crothall won a domestic services contract for Croydon DHA's Community Unit despite a report from the DHA's own Tendering Group that "it was unlikely" that Crothall could carry out the work specified. The standard level for NHS cleaning is BSI 75: BSI 100 is considered a very demanding level of work. The DHA's Management Services Officer assessed Crothall's proposed standard for four premises as BSI 80, 152, 185 and 198! While awarding the contract, the DHA agreed to appoint a full-time contract monitor "to specifically look over this contract and undertake the incessant checking and chasing which they are convinced will be necessary."

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EXPLOITATION IN SOUTH AFRIC



A Pritchard's cleaner working at the CDA assembly plant in East London SA

The wages Pritchard's pays its black employees in South Africa are abysmal even by South African standards. The *Observer* of 31 March 1985 quoted a UK Department of Trade report which showed that Pritchard's is one of the UK companies paying wages which fall below even the level adopted by the Department of trade as a minimum wage. The report showed that the increase in the number paid less than this 'Poverty Datum Line' was due solely to Pritchard's increasing the number of black workers it employs.

Eighty per cent of Pritchard's 1,926 employees in South Africa are being paid below poverty wages. One thousand of them are women cleaners who, Pritchard's say, do not need proper wages because they are 'rarely the main or sole bread winners of the family unit'. Meanwhile, Pritchard's increased its turnover in South Africa by 20 per cent in 1984 in what management called a 'buoyant market'.

Pritchard's is breaking the EEC Code of Conduct for companies operating in South Africa. Ninety eight per cent of British companies now pay above the 'Minimum Living Level' (still a starvation wage) which is set by the Code, but Pritchard's pays most of its workers below this.

Black people earn less

Black security guards, who make up 90 per cent of the estimated total of 50,000 security guards in South Africa, are paid one quarter the wages of white guards. A family of five needs 90 Rands a week to live on at subsistence level and Pritchard's is only paying 150 Rands a month — that is less than 40 Rands a week! From June 1983 the Basic Conditions

of Employment Act was brought in by the South African government, laying down a maximum of 60 hours to be worked in one week: Pritchard's guards work at least 72 hours. So they are breaking South African law too.

According to recent research by the University of Cape Town, minimum wage levels set by the South African government are being ignored by most employers — 82% do not even pay half the recommended wage. Only 19 per cent of security guards were being paid more than labourers, who are usually assumed to be the lowest paid workers.

The majority black population is forced to leave the barren 'homelands' to which they have been exiled to search for work in the white cities. The Union of Domestic Workers says that there are now more women trying to get work in commercial cleaning because they are rejecting humiliating work as servants in white families. At the same time the government is imposing heavy fines on whites who employ black servants not having permission to live in the cities. Companies

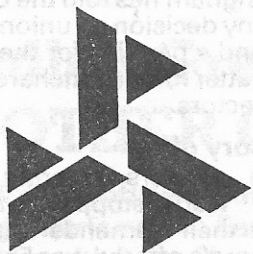
A Company Justifies Policies

Extracts from Pritchard's press release dated 17th May 1985 in response to a journalist's inquiry about pay and conditions of Pritchards workers in South Africa.

"Pritchard is a successful company pursuing progressive employment policies. The company does not discriminate on the grounds of race religion or colour. No work place segregation is supported Cleaning and security are highly competitive and labour intensive industries and in such an environment competition dictates the price at which services can be sold and the wages that can be paid. It would be commercial suicide for any company to act unilaterally on prices or wages.

Pritchard's South African operation is however efficient and profitable. In terms of capital employed these profits are not excessive The Group believes that improvements in both wages and conditions of work which are necessary can only come about with the co-operation of the whole industry and to this end it is in the vanguard of a movement to establish formal channels of communication and negotiation with employees.

A process of wage negotiation with full union participation is currently being implemented. It is also working within the relevant trade associations for better working conditions for both cleaning and security staff including a shorter working week for the whole industry."



like Pritchard's are exploiting the position of black South Africans as exiles in their own country.

Pritchard's has also concealed from its employees that they work for a British multinational. It pretends that company decisions are made locally, which prevents workforce and unions approaching the real decision-makers in London. TICL has now informed them of Pritchard's existence as a transnational and is sending them regular information on the company.

Pritchard's Statement A Sham

A member of the Union of Democratic Forces (in South Africa, the UDF is the main united front of black trade unionists and political organisations) recently told PSA that Pritchard's attempt to deny that it profits from and promotes apartheid is a standard response from companies operating in South Africa:

"The government has eliminated job reservation and the colour bar in employment so that companies can now say that they do not discriminate. It is a strategy to dismantle racial discrimination at the point of production.

Companies claim that they are not responsible for racial discrimination, but they participate in the economic environment of apartheid. Black workers do not have equal opportunities, they are denied citizenship, and if they do not qualify for urban residence they are sent to the 'homelands' where they are pools of labour for the companies. It is outside production that the discrimination takes place influx controls, pass laws etc.

Even if a company is not discriminating, it is benefitting from racial discrimination to pay low wages. When the institutional procedures break down, companies often call in the police to impose a settlement. So they work in connivance with a repressive state. The company's statement is concealing this.

As for the shorter working week, this has to be set against the background of the company being able to lay off workers whenever it wants in a way which would not be possible in Britain. Companies try to co-opt certain elements of the unions and this may well be what they mean by participation. As for the trade associations Pritchard's management is working within, they are active in the politics of the South African state".

Pritchard Services Group (S.A.) (Pty) Ltd
Building Cleaning Services (Pty) Ltd
Crothall Hospital Services (Pty) Ltd
Fawcett Security Organisation (SA) (Pty) Ltd
National Building Cleaning & Maintenance Services Pty Ltd
Night Hawk Patrols (Pty) Ltd
Pritchard Security Services (Pty) Ltd

South Africa
South Africa
South Africa
South Africa

South Africa
South Africa
South Africa

The General and Allied Workers Union has members amongst Pritchard's security guard workforce in South Africa. Its General Secretary, Sampson Ndau, told PSA that together with Pritchard workers they are compiling a Collective Complaint against the company.

"Pritchards security guards work from six in the evening to six in the morning six days a week. Working this number of hours a week is against South African law. Monthly earnings are 150 Rands (£60) a month or less, guarding the homes of white householders and commercial firms. Pritchard's guards live in hostels, about eight to a room.

The Collective Complaint demands improvements in working conditions and wages, better treatment by superiors and reductions in working hours. They want uniforms to be replaced more often than the present once a year and better protection against the dogs they have to work with which have injured guards in the past. Not enough training is provided.

The statement from Pritchard's refers to 'a process of wage negotiation with full union participation' which this company claims that it is implementing. I believe they are talking about a liaison committee set up by the employer, on which the union is not represented. This is not the way we work. We work through shop stewards. We have never heard of any proposals by Pritchard's or the trade associations to reduce the working week."

Australia

Pritchard's has taken over more hospital ancillary services than any other company in Australia and it is also moving into laundry services. Since a 1984 takeover it has also been the main building maintenance company. **Crothall Hospital Services** operates contracts which include:

- Air Force Hospital, Point Cook, Victoria
- Private hospitals in Victoria and Queensland
- A management contract for the laundry at St John of God, Subiaco, Perth — Australia's largest private hospital

Building maintenance contracts include

- 200 supermarkets in W Australia through its subsidiary **Power Clean**
- Regent Hotel, Melbourne
- Parkmore Keysborough Shopping Centre, Melbourne
- Sydney Town Hall
- Brisbane International Airport (recently took over a Brisbane company)

● Pritchard subsidiary **Challenge** has contracts in North Queensland (Gladstone, Rockhampton, McKay, Darwin).

General Contract Cleaners was taken over at the end of 1984 for A\$8.9m for contracts in Sydney, Canberra and Melbourne. Pritchard's also owns **Huntsbury Foods** which has catering contracts and **Maximum Security Services**.

New Zealand

The company says that the overall importance of its New Zealand hospital contracts has diminished although it is still the largest company in the field of hospital ancillary services in New Zealand. Recently there has been a move into complete hospital management. Contracts include:

- two hospitals managed by Crothall's; one of them is Metua hospital, Tauranga
- what is claimed to be the world's longest running hospital contract — 43 years at Christchurch General where Crothall's started.

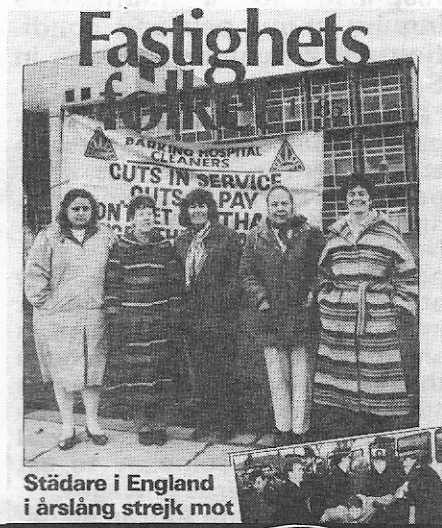
Pritchard's also guards the Bank of New Zealand; manages Wellington Conference Centre; owns alarm and paging companies; cleans the Great Northern Centre, Auckland and has catering contracts through **Huntsbury Foods** and **Temprite**. Since 1983 however a number of factory catering contracts have been lost. **Crothall Property Services** intends to expand into areas where the company does not have a substantial market share.

Barking Hospital Fifteen Months On

At Barking Hospital the strike by the domestic staff sacked by Crothall's continues. Overshadowed by the miners' strike and largely isolated throughout the dispute, the women are still fighting one of the major campaigns in the NHS to date. While support in the UK has been patchy, international solidarity continues to grow.



Support on the picket line — and money — are still needed. Contact the Strike Line on 01-592 5138



Birmingham SCANDAL IN SECURITY

In Birmingham, the GMBATU is currently negotiating with Pritchard's for union recognition on behalf of security guards in the area.

The workers, all men, mainly work on Cash In Transit (CIT) services but there are also a small number of static guards. The GMBATU's move follows a referral from the Low Pay Unit in Birmingham who had taken up a case of one security guard's complaint against the company.

Low Pay

Wage rates for CIT work are £1.41 per hour for working Monday to Friday and £1.53 per hour for working Friday night to Sunday night. A security sergeant (supervisor) earns an extra 5p per hour. Many of the men have to work a 90 hour week in order to take home a living wage. There has been no pay increase for two years.

Pritchard's say that if the union represents over 50% of the workforce then the company will consider recognition. The GMBATU has recruited more than 50% but the company is refusing to sign a sole agreement with the union. The GMBATU's shop steward has been refused time off for union duties: Pritchard's say that this is unnecessary because any

employee is free at any time to arrange a meeting with a manager to discuss any grievance!

Contrary to the Pritchard Group's stated policy of allowing local autonomy to its member companies, Pritchard Security in Birmingham has told the GMBATU that any decision on union recognition and a pay rise for the workers is a matter for the Pritchard's Board of Directors.

Derisory offer

The workers recently held a token work stoppage to press home their demands but all that Pritchard's offered was 5p per hour increase, apparently agreed to by the Board. The workers are now considering their next step.

● Security guards working for Pritchard's elsewhere in the UK are paid even less than their Birmingham colleagues. In Coventry and Swansea for example, the rate is only £1.33 per hour. In Swansea, the company recently took out an injunction against the GMBATU who alleged that Pritchard's was anti-union.



Organising Contractors

Most contractors employ non-union labour. Some firms publicly claim that they are opposed to workers belonging to a union. An even smaller number claim that they will recognise and negotiate with a trade union if sufficient (sometimes 50% or 90%) workers join a union. In practice, most contractors will do their utmost to prevent workers joining a union. Since contractors mostly refuse to employ shop stewards and union activists previously employed by a council, health authority or government department, the task of organising can become even more difficult.

Important to unionise

It is important to try to unionise contractors' workers. Union membership can lead to:

- improved pay and conditions
- employment of more workers
- less victimisation and harassment
- greater support for and organisation of industrial action
- ultimately — job security
- better services

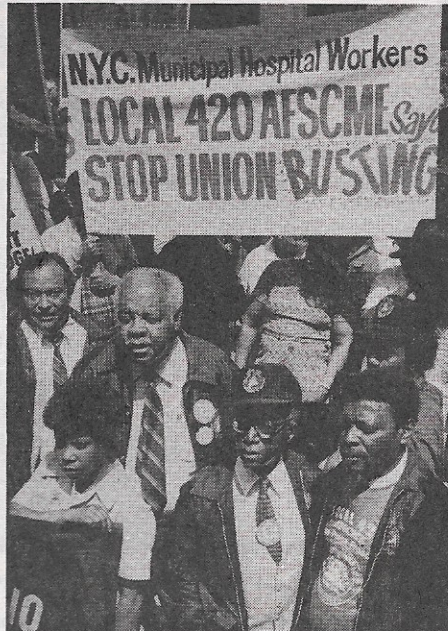
Recruitment must be part of a union's longer term strategy to get the work returned to the public sector. Organising and increasing demands on contractors is one important part of this strategy.

It can be done

Organising a contractor's workforce can be a long and difficult struggle.

Most workers have no protection from unfair dismissal in their first year of employment (soon to be two years under new laws). Contractors often try and sack workers for trying to join a union. But union organising has been done recently despite all the odds:

- NUPE has organised most of the workers employed by Initial on its estate caretaking contract in Wandsworth.
- The T&GWU has organised WasteCare refuse workers in Basingstoke, Waste Management workers in the Wirral and Pritchard's street cleaners in Wandsworth.
- NUPE are engaged in a successful recruitment drive amongst Mediclean domestics at St Helier Hospital Carshalton.
- The GMBATU are organising Pritchard's security guards in Birmingham and WasteCare (now owned by BFI) refuse workers in Wandsworth.



Some ideas

Some ideas for what can be done include:

- raise the issue at your union shop stewards meeting, branch meeting or trades council meeting to explain why it is important to organise contractors' workers. There is likely to be some opposition and misunderstanding. The issue may not be resolved at the first opportunity so press for further meetings and educationals on the issue.
- it is important to give morale boosting and organisational support to contractors' workers who are trying to organise. Get your branch to hold at least one meeting close to the contractor's workplace/site so as to encourage as many of the workers as possible to attend to discuss their problems and difficulties.
- arrange for one or two stewards to liaise regularly with the workers who are trying to organise.
- make sure that union full-time offices know about the recruitment drive so that they can give further support and assistance.
- prepare special leaflets and bulletins as well as regular union literature to distribute to contractors' workers explaining the advantages

of joining a union, exposing company tactics on other contracts, generally making workers feel that they are not isolated.

- talk to contractors' workers at the beginning/end of their shift at meal or break times (if they have any!). Arrange informal meetings if necessary.

Recognition

Once the majority of the workers on a contract are in a union there is the lengthy process of negotiating formal recognition with the company.

One of the best levers is to have organised workers on as many of a particular company's contracts at the same time. This way, in the event of an industrial dispute for example, the company is less able to 'bus in' workers from nearby contracts to carry out the work instead.

- demands on the contractor must range from the basics, i.e. washroom facilities, protective clothing etc through to proper wages and conditions.

No contractor simply gives in. It may be necessary to organise industrial action to press for demands to be met.

- Try to organise union action over manageable issues e.g. refusing to take out vehicles until defects have been remedied. Pick an issue where the firm is acting illegally. Contractors hate bad publicity more than anything as it can affect their chances of winning other contracts, so make sure that the press, local radio and TV are kept informed of your action — and most importantly, why you are taking it.
- Don't let contractors' workers be isolated. Build support for their struggle throughout the authority, and in the community. It is vital that other unions, tenants associations, other community groups and users of services are involved in any campaign right from the start.

France

Some of Pritchard's larger contracts, where **Groupe Service Industrie** employs 1000-2000 migrant workers include:

- Roissy Airport, Paris (150 cleaners)
- Orly Sud Airport, Paris (216 cleaners)
- Gare de Lyon, Paris since 1 April 1985
- Part of Gare de l'Est, Paris
- Part-Dieu Station, Lyon

Belgium

The company has contracts to clean hypermarkets and shopping centres.

West Germany

Pritchard's bought a Frankfurt-based industrial and machinery cleaning company in 1983 which lost contracts in 1984. The company has building maintenance contracts in Dortmund and elsewhere. Catering activities in Dusseldorf began in 1985.

Holland

In 1983 Pritchard's took over Spring Grove's laundries and with the aid of substantial government grants is moving into new buildings. In 1984 Pritchard's took over **H. Ender Servicebedrijven**, a building maintenance company whose contracts in Rotterdam include the entire underground transport system. The company also has office and window cleaning contracts.

Spain

Important aircraft and train cleaning contracts are held by **Pritchard Espanola**, and it has started to move into hospital services. Contracts include:

- Iberian International Airlines aircraft cleaning
 - A £3 million contract to clean all planes using Barajas airport, Madrid (6000 planes a month, using 400, mainly women, cleaners)
 - In 1983 it won a contract to clean one third of Spanish trains (worth £12 million)
 - In 1984 it won a contract to clean trains throughout Spain
 - Atocha railway station, Madrid
- Its first hospital contract in Spain is the 991-bed psychiatric hospital near Madrid — **Santario Psiquiatrica san Jose Hospital, Ciempozuelos**. The company also cleans the Tenerife hospital, Canary Islands. Pritchard's also has industrial and commercial building maintenance contracts in Madrid.

Paris: Airport cleaners strike back



One hundred and fifty Pritchard's workers at France's biggest airport were recently on strike for three weeks demanding better wages and conditions from the company that sacked 90 domestics at Barking Hospital. They won the strike by turning Roissy Airport into a rubbish tip as dirty as the tactics Pritchard's used to try and crush the strike.

The company has been disturbed not only by the adverse publicity but more important, the fact that the workers discovered that they were working not for a small French Company, **Groupe Service Industrie**, but for a subsidiary of a transnational company. This has put pressure on management and opened up the possibility of international solidarity action.

Pattern of exploitation

Pritchard uses black and migrant workers in France as it does in South Africa and the Middle East. Wages are pared down to the minimum, exploiting the workers' shaky legal status. When workers stand up for themselves, the company calls in the state to push them back into line. At Roissy the strikers stood firm, forcing the company to negotiate.

All the Roissy workers are unionised — in the CFDT (Confédération Française démocratique du Travail) — so they are in a much stronger position than many of Pritchard's workers in France (1,206 in 1982). The company is

legally obliged to retain the same workforce when it takes over a contract, so organisation is not easily broken by the sort of sackings we saw at Barking. There is also a legal minimum wage the union can hold the company to.

At the time of the strike, 26 February to 16 March, Pritchards was paying its Roissy workers exactly the minimum wage, 4,230 francs (about £370) per month. The workers were also angry at being paid late.

Union demands

They were demanding 5,000 francs basic pay (£440), that additional pay for night shifts become part of basic pay and that it be increased, more in transport and meal allowances, double pay for Sundays and holidays instead of 35 to 50 per cent. They also called for the reinstatement of 15 jobs which had disappeared since 1983, a 90 per cent holiday bonus, no more siphoning off workers to other contracts, and recognition of certain skills such as machine operating.

The company refused to negotiate. It went to court to break the picket by having the cleaners expelled from airport premises so that scabs could be brought in. The court refused Pritchards request but insisted on "a minimum service for security reasons". The police were brought in to remove cardboard boxes which might have concealed a bomb and management used this as a cover to try and clear rubbish using the French supervisors. The cleaners defended the rubbish: "Today they will take away cardboard boxes, bottles and plastic cups. Tomorrow the rest. And after that they will walk all over us immigrants", one of the strikers told a reporter. Pritchards had brought in scabs during a previous strike in January 1984.

The court had named an arbitrator, so on 12 March the company gave in to many of the strikers' demands. They may have settled the strike so as not to lose a new contract at a large Paris railway station due to begin on 1 April for a trial six months, and also to avoid the threat of solidarity action at another of their airport contracts.

Dirty tricks

In spite of the presence of an observer from the Ministry of Labour on 15 March, Pritchards went back on the agreed wage increases at the final negotiations on 1 April. The hourly rate was increased as agreed from 24.41 francs to 26 francs, but instead of the previous monthly hours of 173.33 these were reduced to 169

through a legal loophole. This reduced the increase from the expected 276 francs a month (£24) to only 164 francs (£14). Another dirty trick from Pritchards.

Secret identity

Although French labour law forces every company to call a meeting of a Central Company Committee made up of a trade union representative and management twice a year, Pritchard's French management (GSI) have kept the identity of the real employer a secret until recently when employees were informed by the Transnationals Information Centre London.

It is satisfying to be able to report that since Roissy workers mounted a solidarity picket for the Barking strikers and their union sent letters of support, the company has become uneasy. Several small and previously unheard of concessions have been won with only the smallest whimper from GSI management: "You are not going to phone England about this are you?", they ask anxiously. The British Financial Director of GSI, a Mr Hooper, has even written a cheque for one of the Roissy cleaner's holiday pay in time for him to book his ticket home — they usually pay too late!

This, together with the experience of solidarity from New Zealand Pritchard (Crothalls) workers, shows just a glimmer of what can be achieved by making the links between workers in transnational companies — to control companies like Pritchards.

Middle East

Pritchard claims to be the leading company in ancillary hospital services in the Middle East and also has large municipal cleaning contracts including:

- A 5-year municipal cleaning contract for Jeddah, Saudi Arabia (worth £215 million) which ends 1986. 192 vehicles empty 100,000 bins; the company uses a large workforce of sweepers from South Asia. Pritchard's claims to have eliminated the stray dog population!

- street cleaning in SW Riyadh worth £3.6 million.

Hospital contracts include

- 6 Kuwaiti hospitals including Kuwait Maternity and Al-Sabah

- Contracts for 5 new hospitals in Iraq (2000 beds) in Baghdad, Nasirayah, Najaf, Tikrit, Irbil

- First hospital contract in Saudi Arabia at King Abdulaziz University Hospital, Jeddah — 5 years from January 1985 worth £2 million, services include housekeeping, janitorial, portering, gardening, pest control — 200 South Asian workers employed

- Pritchard's also boast "hundreds of commercial and industrial contracts" in Saudi Arabia.

- Asian workers are brought into Kuwait by labour contractors hired by Pritchard's. They are forced to live in labour camps away from the cities where they work ten hours a day for less than £20 per week.

Thailand

Inter-Asian Enterprise is the largest security company in Bangkok, employing 1600 guards. Security contracts include guarding the US consulate and residences in Chiangmai and the Bank of America in Bangkok. Pritchard's plans to expand its cleaning operations and also its hospital support services into provincial towns.

Agencies such as **Thai Labour Supply Co Ltd** encourage British companies by offering them workers "easy to control, hardworking, co-operable, qualified and reasonable wage" (sic).

Hong Kong

Reliance Services has building maintenance contracts. Pritchard's also cleans the underground (over 30 stations, 380 train carriages), has pest control and waste paper recycling contracts. Uncertainty of what will happen after 1997 is apparently affecting business badly.



Maria Caldas from Portugal is a shop steward and Toure Mamady from Mali is a workers' representative on the Central Company Council. They told PSA that as migrant workers they felt particularly threatened by GSI/Pritchard's legal action which they thought might affect their legal status in France.

International Links

Building international links is an important step for workers in transnational companies such as Pritchard's and public sector workers facing privatisation. The companies taking over public services in the UK all have international strategies. These have to be met with international action by workers and users. As well as the fight for better wages and conditions, the ultimate aim must be for services to be kept under or returned to public control.

It is a long and difficult process but workers in Kodak, Ford, Philips and Uniliver have all organised international shop stewards meetings. As shown by the examples in this issue of PSA international solidarity plays an important part in industrial disputes.

Lessons learned

Some of the lessons learned by the Kodak workers and others include:

- find out exactly who you are working for
- understand the company's global strategies
- contact shop stewards in other parts of the company, either in your own or other unions
- try to set up a shop stewards



combine which meets regularly to exchange ideas and information

● it is important to know what the workers' problems and demands are in your company overseas

● international meetings are essential for finding out more about the company and how to tackle it

● it is important to monitor new developments in the company and the likely long term effects

● international meetings can frustrate the company particularly when it tries to play workers in different countries off against each other

● it is difficult to organise coordinated action but not impossible

Information

TICL

This issue of PSA has been researched and written jointly with the Transnationals Information Centre London (TICL).

Transnationals like Pritchard's, the Hawley Group and Brengreen will be subject of a one-day workshop organised by TICL and sponsored by the GLC on 25th July 1985 at County Hall, London SE1. The aim is to bring together shop stewards from the NHS and local government to discuss the structure and operations of Pritchard's and Hawley; to look at the best ways of

finding out information about companies and to discuss strategies for fighting them, particularly around the demands of women who make up the bulk of the workforce.

The only way to control transnationals is through international solidarity action. This sort of action is still in its early days as far as public service workers are concerned. TICL is working with trade unionists and community groups on building these links. If you are interested in the workshop or in TICL's work, contact: TICL, Octavia House, 54 Ayres Street, London SE1. Tel: 01-403 7550.

MEETING THE CORPORATE CHALLENGE: A handbook on corporate campaigns. Features eight case studies and a resource guide of groups involved in campaigns against transnational corporations. Price £3 each or £2 each for bulk orders. From: TIE/UK, 134 Wrotesley Road, NW10.

STRIKING BACK: Workers' organisations against multinationals. Reports on shop stewards' initiatives to form international links and includes a basic guide on how to start. Price 60p each. From: CIS, 9 Poland Street, W1.

INTERNATIONAL LABOUR REPORTS: Bi-monthly magazine reports on international labour movement news. Subscription details from: ILR, 300 Oxford Road, Manchester M13 9NS. Tel: 061 273 8717.

Information needed

PUBLIC SERVICE ACTION needs:

- campaign news reports from trade unions, shop stewards committees, trades councils, tenants' groups and other organisations;
- information about contractors' failures, lost contracts etc;
- copies of authorities' reports discussing and comparing tenders and any trade union submissions;
- details of contractors' wages, conditions and benefits;
- copies of any campaign leaflets and publicity material.

Please write or phone SCAT Publications.

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