

PUBLIC SERVICE ACTION

Action Alternatives Information New Threats Contractors Organising

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THE ANTI-PRIVATISATION MAGAZINE FOR THE LABOUR MOVEMENT

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Special Reports-WASTE: DIRTY BUSINESS & NHS TENDERS



CONTRACTORS MORE FAIL

Contractors fines and failures continue relentlessly causing major problems in hospitals, schools and other public services. These failures to meet specified standards of service are not simply minor deficiencies or teething problems but fundamentally reduce the quality of service and employment. Many well known contractors have been sacked from hospitals and schools for incompetance. It is obvious that even the most stringent monitoring system imposing heavy penalties on contractors will not provide clean hospitals or decent meals. The same arguments apply to in-house tenders which slash jobs, wages and standards. 'Nothing is so cheap as efficiency: nothing is so inefficient as cheapness' (Lyttelton Gell 1900)

NEW SECTION

Improving
&
Expanding

PUBLIC
SERVICES

FOOD UNSAFE IN SPINNEYS HANDS

Spinneys is in trouble with their catering contract at Frenchay hospital in Bristol following an inspection by environmental health officers from the local North Avon District Council on 21st January. The firm has been charged with 16 offences under the Food Hygiene Regulations. Charges include failure to keep clean 5 rooms (including the main kitchen, butchery and bakery); unhygienic storage of cooked chickens, uncooked meat, meat pies and vegetables; failure to provide suitable space for removal of waste from food and separation of unfit food; failure to keep a first aid kit readily available.

PROVINCIAL SACKED

Berkshire County Council has sacked Provincial Cleaning Services (Hawley Group) from its contract to clean parts of two schools in Reading. Provincial had held the contract since 1982 at the Kenrick School and at the Little Heath School, Tilehurst. The firm was "dismissed following continuing problems over the standard of workmanship the schools were not being cleaned properly".

ICC GIVING UP IN ESSEX

ICC (Hospital Services) Ltd has held the cleaning contract at Colchester District General Hospital since it opened in October 1985. Last month it gave six months notice of withdrawal from the contract, claiming that the company is 'under financial pressure'. The Unit General Manager reported that the hospital had complained to the firm about the level of service earlier this year and discussed imposing financial penalties.

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CONTRACTORS Fines & Failures

DIRTY BOOKS

Exclusive Cleaning and Maintenance (part of Brengreen Holdings) received 110 penalty notices on its Wandsworth library cleaning contract in late December/early January. A recent report by the Director of Leisure and Amenity Services showed that the firm had been fined £693.13 in the period for inadequate cleaning and non-attendance by cleaners. The council had to meet with Exclusive's management to agree new recruitment procedures and back-up cover in the case of emergencies.

CROTHALLS IS BAD NEWS

West Suffolk DHA decided not to award the domestic contract at the West Suffolk Hospital to **Crothalls** (a Pritchards subsidiary) despite its bid being nearly 19% lower than the in-house tender. DHA members rejected the advice of their own assessment panel because of adverse publicity about Crothalls NHS contracts, particularly in Maidstone (see PSA 21).

Loss leader leads to loss

Crothalls failed to get their cleaning contract renewed at the New East Surrey Hospital in Redhill. The DHA decided to set up an in-house team on improved cleaning hours. There has been a long history of complaints against Crothalls at this hospital since 1983 (see PSA 8 and PSA 16) including Union claims that Crothalls had used the contract as a "loss leader" since they knew the work could not be done within the proposed staffing levels.



ICC forced to increase hours by 12% to almost in-house tender level at Scarsdale Hospital, North Derbyshire, (where domestics fought tendering with industrial action last year) following concern about 'declining standards off cleanliness'

Hospital Hygiene Services in trouble with their domestic contract at the Radcliffe Infirmary in Oxford, with 1/3 of their original staff leaving, reports of 'unsanitary conditins', patient complaints, demoralised nurses and dissatisfied management.

Exclusive have failed to meet royal standards in their toilet cleaning operation and are to lose their contract for cleaning public conveniences in the Royal Parks.

PSA Exclusive Crothalls Crisis: NHS Managers despair

PSA has been passed two Reports made to the Riverside Health Authority in Central London concerning the crisis in the cleaning contract at the Westminster Hospital.

Crothall's won the contract in July 1985 with 180 redundancies. Basic wage rates were reduced from £2.60 to £2.10 an hour together with loss of overtime and weekend working rates and no holidays. The Westminster Hospital in common with many hospitals in the West End and Home Counties have to compete for labour with private hospitals, offices and private homes who can often pay up to £3.00 an hour. Cleaning hours were reduced drastically with parts of the hospital only having half the cover they had previously.

Report by the Unit General Manager for Westminster Hospital to the Health Authority on 27th February 1986.

As I consider the current standard of cleanliness and performance of the Contractor to be totally unacceptable, I thought I should report for information to members on the current situation and the possible implications of action currently being taken.

Since Crothall Healthcare Services commenced the contract for domestic cleaning in July 1986 there has been a significant deterioration in the cleanliness of the Hospital.....it is particularly



disturbing that after seven months, the Contractor has still failed to meet the standard required by the Contract Specification.

Their original manager had no previous experience of either the Health Service or the domestic cleaning industry and was simply incapable of doing the job required.

The Assistant Managers and Supervisors ... have put in many hours in trying to personally bring certain areas up to the required level of cleanliness and responding personally to complaints from Ward sisters etc. However, they should clearly not be having to do this work themselves and there is a limit to how much they can personally take on. What it illustrates is inadequate training of the workforce and a failure to get them to clean areas properly.

One of the main concerns of the Evaluation Panel ... was the ability of the Company to recruit the number of employees required at the wage rates offered. Despite various assurances from Crothalls, they have had enormous difficulties in recruiting and retaining staff. Turnover of staff has been high which has created problems in terms of continuity, compounded by the fact that few of our own domestic staff opted to accept jobs with Crothalls.

The difficulties ... have occupied a lot of management time ... There is, however, little that the Hospital management can do to overcome the problems outlined above. These are down to the Contractor to resolve. The action which has been taken by hospital management comprises:

We employ our own Contract Monitoring Officer who monitors Crothalls performance on a day by day basis...

We have been holding routine meetings and inspections with Senior managers from Crothalls... While Crothalls management are well aware of conditions at Westminster, despite numerous assurances, there has been no sustained improvement in the overall level of cleanliness...

Since the level of performance has been well below the standard required by the specification we have been reducing the monthly payments to Crothalls...

They have now been told that they have three months from the date their new manager took up post...to bring the hospital up to the required level of cleanliness and demonstrate that they can maintain it there.

The problems associated with the Westminster contract have demonstrated that regardless of how good monitoring systems and procedures are, there is little direct action that we can take to get a contractor to perform. The only real sanction we have available is to impose financial penalties but this can be a double edged sword. It is apparent that Crothalls are making little or no profit out of the Westminster contract and penalising them financially makes it more difficult for them to rectify matters. The extent to which they are penalised, therefore, becomes a finely balanced judgement and our main concern has been to make the contract work rather than penalise the Company.

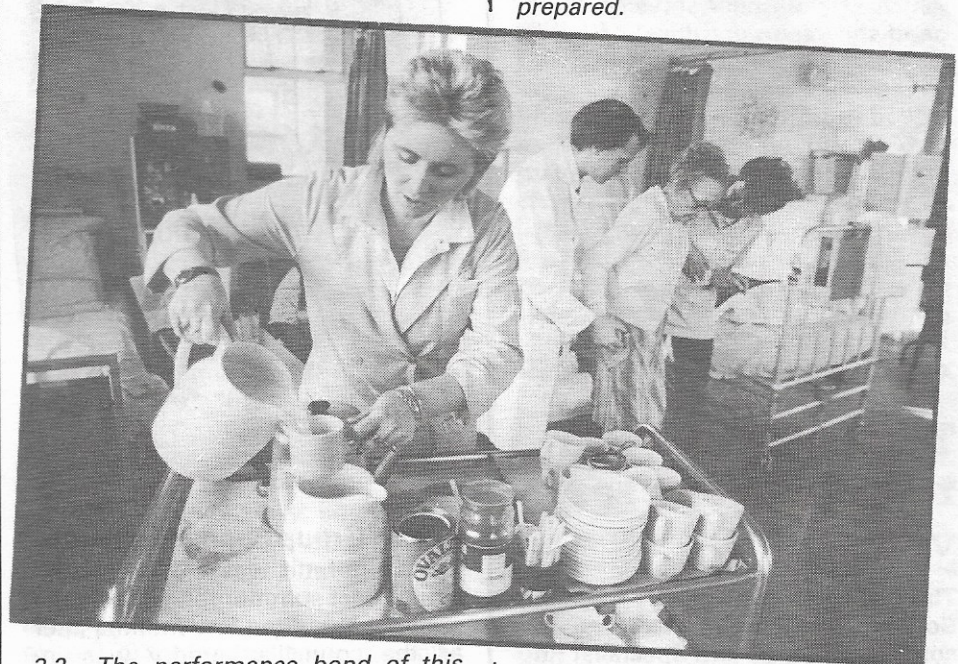


This approach has clearly not produced the desired result and it is my opinion that the current situation cannot be allowed to continue. I am concerned, as indeed are many other people within the Unit, about the risk of infection, the damage to the hospital's reputation and image and the impact on staff morale. The ultimate sanction we could apply would obviously be to terminate the contract but it is being made increasingly difficult for us to do this and would require the agreement of both the Regional Health Authority and Department of Health and Social Security.

Members should also be aware that if we do ultimately terminate the contract with Crothalls there will almost certainly be a significant cost involved in re-tendering and any new contractor would probably require a two to three month lead in time which could produce significant problems during the change-over period.

Report by Mr Inglis, the Divisional Supplies Officer to the March Health Authority meeting.

3.1. In the event that the Authority terminates this contract, Crothall Healthcare Services are required to pay, by way of liquidated damages and as an agreed estimate for the loss which the Authority will suffer as a result of having to make alternative arrangements for the provision of the services, a sum of not less than £200,000. It is, however, unlikely that obtaining this figure from Crothall Healthcare Services would be a straightforward process, although, as required, the contractor provided the Authority with a performance bond prior to the commencement of the contract.



3.2. The performance bond of this contract is for £120,000, and the surety concerned is the National Westminster Bank. Under the terms of the bond the surety, provided it has had at least 21 days to make good any failure, will indemnify the Authority for any losses or expenses incurred as a result of the contractor's default. Again though, obtaining payment against this bond is unlikely to be a straightforward process.

Having terminated the contract it would normally be appropriate to then accept the next lowest tender. However, all of the tenders received in February, 1985 were based on similar rates

of pay and conditions of employment, and the present contractor's difficulty in recruiting and retaining staff, together with the difficulties presently being experienced in staffing the Westminster catering contract, would suggest that these rates of pay are too low for the Westminster area. Tenderers would, therefore, need to reassess their prices, and it would be necessary for this to be done under competitive tendering conditions.

A contract of this size would normally take six months, from the date tenders are invited to the contract start date, to arrange, although this period could be condensed to perhaps four weeks if the tendering exercise was restricted to the appropriate original tenderers. It should, however, be noted that the shorter of these two timescales may not be compatible with a suitable in-house tender being prepared.

Cost – based on tender prices received for other contracts, and allowing for slightly higher rates of pay, it is estimated that the annual value of any new contract would be in the region of £800,000 ie approximately £200,000 per annum more than the present arrangement.

Continuity of Service – it would be necessary to arrange for a number of commercial firms, and perhaps also an in-house team, to each cover a part of the contract, having recruited, where appropriate, the present contractor's workforce, until a new contract could be arranged. It is likely that any such interim arrangements would attract particularly high extra costs.

Such reports by health service management amply confirm what PSA and the Trade Unions have been saying all along. Once a DHA has dismantled its in-house team, they are at the mercy of the Contractors. Performance bonds, costly monitoring and negotiating are inadequate to force the Contractors to deliver a proper service. Cutting wages is not more "efficient" because you cannot attract or retain trained and experienced staff necessary to clean a hospital.

Improving & Expanding PUBLIC SERVICES

Improving and expanding public services must be a key part of any anti-privatisation campaign. But providing more of the same usually has limited advantages. PSA is particularly interested in initiatives which provide new services or expand the range and level of public services, improve their quality, and change the way we they are controlled and delivered. We would also like to report on trade union and user campaigns which draw up alternative plans and proposals covering the wide range of council services, housing, transport, social services, health care, as well as services provided by nationalised industries and government departments.

Tories expand Harrow cleansing services

The Tory controlled London Borough of Harrow increased its council-run Trade and Specialist Refuse Service income last year by 40 per cent to £270,500. It has just won a £10,000 contract from Bejams and the council's Parks Department has terminated a £17,000 private contract and will in future use the council's skip service. Further contracts are being negotiated including one with a private hospital. The General Public Services Committee agreed in March to purchase another multi-purpose vehicle for the trade waste section and created a new driving job.

The council appointed a Trade Refuse Officer in April 1985 to specifically expand the service. It now has five parts:

- trade refuse collection using sacks, dustbins, continental and paladin bins.
- compacted refuse collections using on-site compactors
- special collections from trade and domestic premises.
- bottle bin collection
- medical waste collection

USERS WIN NEW MUNICIPAL LAUNDRY SERVICE

A municipal contract laundry service and public laundrette at Upperthorpe has just been re-opened by Sheffield City Council. A Working Party comprising of councillors, officers, council laundry workers, trade union representatives and the Washhouse Action Group was set up last year to plan, promote and expand the municipal laundry service.



Action Group opposed closure

The laundrette was closed by the council last summer followed by the contract laundry a few months later as the council's laundry was increasingly contracted out to private firms. Both the machines and the buildings were old and condemned, failing to meet health and safety standards.

The Washhouse Action Group was formed to oppose the closure and demand a new service. Despite the ageing equipment the old laundry was well used - it is close to the large Kelvin Flats complex and was used by many home helps. Its ironing facilities were very popular. The Action Group launched a petition which proved the wide catchment area and strong public support - those who signed were then invited to three public meetings.

The Public Sector Team in the council's Employment Department assisted the campaign and the setting up of the Working Party - it has met 3 times recently to consider:

- building work and the installation of new equipment
- operation and layout of the new laundry

- charging policy and opening hours
- promotion and publicity campaign

The Working Party will now monitor its use and operation. Further public meetings are planned to discuss its operation and further expansion. The Employment Department has funded a £2000 publicity campaign organised by the council's Publicity Department to attract old and new users. This has included 20,000 leaflets for local circulation advertising the re-opening, posters, adverts in the local press, bus advertising on local routes, over-printed plastic wash bags, and a re-opening ceremony.

Charges in the new totally re-equipped public laundrette are 20-30 per cent cheaper than privately-run laundrettes. The council hopes to take on a trainee to service the machines once they are out of the guarantee period.

Staff on the municipal contract laundry service operating adjacent to the public laundrette have been retained. Over the next three years the Working Party plans to build up the council's contract laundry service bringing in-house the contracts let to private contractors by different council departments eg uniforms, workwear, bedding, and to seek new contracts from other public bodies.

Further information from Public Sector Team, Employment Dept, Palatine Chambers, Pinstone Street, Sheffield S1. Tel 0742-755215.

Hospital launches new cleaning service

Nottingham City Hospital has started a dry cleaning and repair service to its staff, patients and visitors. The 24 hour laundry service will charge £2 to clean a three-piece suit and £1 for skirts or trousers - about half the commercial rates in local shops. The new service is expected to increase income by about £25,000 annually.

Women and Privatisation HARINGEY'S LUNCH BUNCH



Haringey School Meals Project has produced an excellent Report "Campaign strategy for school meals and women's jobs based around a radical food policy".

In January 1985 the local NUPE Education branch and the Haringey Womens Employment Project (a community organisation) launched a local Campaign to bring school meals workers, parents and children, and community interests together. This booklet describes Haringey's approach and argues for a Campaign that is based on an alliance of interests, that tackles the issues of womens work, improving the nutritional quality of the meals and developing an anti-racist food policy in the context of defending school meals workers and lunch time supervisors jobs and conditions of employment.

Ratecapping and the growing pressure to bring in private contractors and new methods of food preparation gives an added urgency to school meals campaigns. The Social Security Bill now going through Parliament is also an incentive to improve the service. At the moment 33% of school meals are free. Under the Bill, only children of parents on Supplementary Benefit will be eligible for free meals. Children of low wage families getting Family Income Supplement (Family Credit) will no longer get free meals (and milk) and local authorities will no longer be able to extend free meals to poor children in their area.

The Campaign in Haringey has had 4 aims:

- defend jobs and conditions of employment
- assert and value the skills of women working in the school meals service
- press for positive action to improve training
- value and help improve the school meals service.

They have taken the issues out into the community by preparing an exhibition to put up in the libraries and shopping centres, organising a taste-in for children and parents to show that healthy food can be tasty, producing leaflets and Reports and by co-ordinating a Schools Meals Week of Action with a range of different activities. They are also proposing that food should be on the school curriculum, and that proper playleader training should be provided for lunchtime supervisors.

A really good example of a campaign that combines the interests of the worker in the service and the users, and the process of winning support for a challenging range of issues. Essential reading for workers in other services threatened by privatisation, and which have to win support for public control. Available for £2.00 from Haringey Womens Employment Project, 1B Ringslade Road, London N2, or London Food Commission, PO Box 291, London N5 1DM.

More News

ROLLS ROYCE: FREE SALE

The government is likely to get virtually nothing from the planned sale of Rolls Royce, one of the worlds leading aero-engine makers, early next year. The sale is likely to fetch about £500m but £372m of previous losses were written off last year plus the government is expected to inject at least another £100m into the firm before the sale. To this should be added the costs of the sale - £25m plus continuing government finance for research and development - the state funded about £150m of Rolls annual £234m (1985) research and development costs.

CALL 999 FOR CARING CAPITALISM

"Once we were privatised we became a company like any other company and all of our customers have to pay the going rate for services". Thus was explained BT's plan to introduce repair charges for police, fire and ambulance stations and hospitals, where there has been till now a free priority repair service. The change will add a swift additional £20 million per year to BT profits for no additional work.

PRIVATISED RESEARCH DANGERS

Private companies and charities now provide 80% of the funds for medical research in the UK. Continuing cuts in government funding to the Medical Research Council mean a failure to train sufficient research scientists, a continuing move by trained scientists to work abroad, and research biased towards work on cancer and heart disease, with 'cinderella' problems like dementia remaining relatively unresearched.

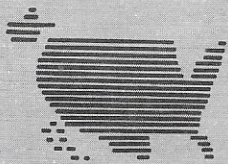


Overseas

AFL-CIO SACKS PRO-PRIVATISATION AUDITORS

The Public Employee Department (PED) of the AFL-CIO (the American equivalent of the TUC) recently discovered that the firm which audits their accounts, KMG Main Hurdman, had sponsored an organisation called The Privatisation Council. Within weeks the PED had sacked the firm. The boycotting of firms engaged in privatisation work could be used far more widely by public bodies, and the labour movement in Britain.

The Privatisation Council has been set up under the slogan 'now is the time for Privatisation: The Public Use of the Private Sector' and is devoted to developing and expanding the practice of privatisation. Its sponsors include other international auditors and management consultants such as Arthur Andersen & Co, Arthur Young & Company, and Touche Ross together with the Parsons Corporation, United Water Resources and other firms.



The Council seeks membership from government contractors, management consultants, service industries and equipment manufacturers, and public bodies – sponsorship costs £1,250 annually or a mere £150 for individual membership. Members receive a quarterly Privatisation Review, newsletters and various other propaganda and can attend 'educational programmes'.

Firm resigns

KMG Main Hurdman responded to their sacking and the threatened loss of other "valued long-term clients" stating that "our firm will not renew its financial support of the Council or have any further involvement in its activities or programs". The firm claimed that the decision to join the Council was taken by one group within the company as a "Marketing and practice expansion opportunity ... it was solely an attempt to gain a share of the professional services market for independent studies which are being undertaken".

Many thanks to Al Bilik, Executive Director, Public Employee Department, State/Local Division, AFL-CIO, Washington DC. USA.

POST OFFICE ON THE ROAD TO SELL-OFF?



Post Office unions see plans for radical reorganisation of the Corporation as preparing the ground to privatisation. The operation will be split into 4 separate businesses each with its own managing director accountable to the Board. They will comprise: letters, parcels, counter services, Girobank. This structure, familiar in large commercial concerns signifies a shift to a more commercial basis of operation for yet another public service. Girobank and Post Office Counters are already public limited companies – traditionally a step towards privatisation. The Board justifies the reorganisation, planned for later this year, on grounds of commercial pressures.

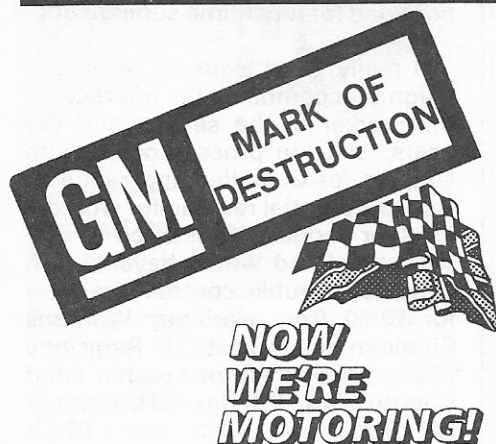
Reorganisation at a local level will see Head Postmasters losing their responsibility for all Post Office operations in their area, with the appointment of district managers in each of the four new sections.

In future the four sections will have a 'more commercial' relationship with each other, with formal contracts between them and charging for services provided.

There will also be decentralisation within each of the 4 businesses: in parallel with the restructuring of privatised BT, centralised negotiations on pay, productivity, conditions of service, grading, etc will be replaced by separate negotiations within each business – and presumably may well be decentralised further within each separate business. It will clearly weaken the unions' position in negotiations, and staff cuts openly planned will be easier to push through. It is claimed that the reorganisation will be effective in reducing bureaucracy though the unions are very sceptical it is thought some 1,500 clerical and supervisory jobs may be at risk.

Privatisation of the Post Office is not yet on the Tory agenda – but if they choose to hive off sections like the Girobank, or to put the whole operation up for sale in a future legislative session, the Board will have carried out the preparatory work for them. The Board denies any Government pressure behind the reorganisation, but also avoids any public statement of the need for the Post Office to remain in the public sector.

A vote for industrial action in defence of jobs and services has been the response of 8,000 NCU members in post office engineering and transport to management plans for across the board job cut of between 15% and 45%. Over 500 engineering and transport jobs have been cut by the Post Office in the past year: now a further 3,500 jobs are threatened.



BL/LAND ROVER

In April the government postponed the planned sale of Land Rover by rejecting all 4 bids from Land Rover management, Aveling Barford (makes dumper trucks, bought by US industrialist from BL in 1983), Lonrho, and J.C. Bamford (JCB construction equipment). The government and BL now plan a Stock Market flotation next year or sale to another company. A new deal with General Motors cannot be ruled out.

DIRTY BUSINESS

Companies seek new contracts

The contracting out of council refuse collection has declined from its peak of 13 contracts in 1982/3. About 25 local authorities have privatised refuse collection and another 40 or so councils used the threat of contracting out to negotiate cuts and changes in working practices. The government is still planning to introduce statutory tendering in several local government services including refuse collection and street cleansing. Major changes are taking place in the rapidly expanding waste collection and disposal industry. Local authorities face new threats including intense competition on trade and commercial waste collection.

This article examines these changes and new threats. It draws on the experience and lessons learnt in North America and profiles the major companies battling to dominate the market.

Profitable garbage

Local authorities collect 20m tonnes of household waste annually and a further 36m tonnes are generated each year by industrial and commercial firms (excluding waste from building, mining, power stations, quarrying and agriculture). Just over half the 56m tonnes of waste is disposed of by local authorities, the remainder by private contractors.

Councils in England and Wales spent £450m on refuse collection in 1982/83 plus another £250m for waste disposal. Local authorities across Britain employ 52,000 workers on the collection and disposal of waste. In addition 35m tonnes of sewage sludge is disposed of annually (30 per cent in the sea, 40 per cent applied to agricultural land, the remainder to landfill sites).

Private contractors are interested in different parts of the waste industry.

Waste Collection: Most household refuse collection is carried out directly by local authorities. Industrial waste, and increasingly trade and commercial waste, is collected by private contractors. Most of the council refuse contracts have been won by cleaning companies eg **Brengreen** and **Pritchards** whilst many of the established waste disposal firms have stuck with industrial and commercial waste.

Waste Disposal: Only 10 per cent of waste is incinerated, the remainder disposed of in landfill sites owned



by local authorities and contractors. Not surprisingly, the large firms involved in building materials production eg cement, limestone, aggregates have diversified into waste disposal as a means of filling excavated land. Unlike other European countries Britain currently has a number of cheap landfill sites. Denmark recycles 75 per cent of its waste to create energy, Sweden 50 per cent. However, the House of Commons Trade and Industry Committee (Fourth Report 1984) found that landfill "especially in urban areas ... is already more expensive than recycling through incineration, and it will become more expensive still as the waste has to be transported to more distant landfill sites. Moreover, by the year 2000, landfill sites in the UK will be very scarce".

The National Association of Waste Disposal Contractors argues that public bodies and contractors are "partners in a common cause". Reliance on more remote landfill sites and the "increasing use of bulk transfer techniques will be character-

ised by investments in transfer stations and road and rail transport systems. The private sector is now, and will increasingly become, the dominant partner here" - John Holmes, director of Wastecare, Surveyor, 19 Dec 1985.

Transportation of Waste: Transfer stations, where waste is delivered for sorting and compacting before being transported to disposal sites, are operated by both local author-

LOCAL AUTHORITY REFUSE CONTRACTS BY COMPANY

(* includes Street Cleansing)

Exclusive Cleansing Services (Brengreen Holdings)

Southend*
Milton Keynes*
Eastbourne*
Tandridge
Vale of White Horse*
South Kesteven*
Penwith
Tamworth
Arun
Chiltern*

Wastecare (Browning Ferris Industries, USA)

Wandsworth
Solihull
Basingstoke
Kensington & Chelsea

Waste Management Ltd (National Freight Consortium)

Wirral*
Taunton Deane

Pritchard Industrial Services Ltd (Pritchard Services Group)

Bath*
South Oxfordshire
Taskmaster (Hawley Group)
Merton*

Biffa Waste Service (BET Group)

North Norfolk

Cleanaway Ltd (Joint venture, GKN and Brambles Industries Ltd, Australia)

Mendip
R.B.Tyler
Sevenoaks

Street Cleaning Contracts

Exclusive Cleansing Services (Brengreen Holdings)

Bromley
Ealing
Surrey Heath

Pritchard Industrial Services Ltd (Pritchard Services Group)

Wandsworth
Cleanwright
Maldon

ities and contractors. Transport of waste is a key area threatened by privatisation. Last year the GLC awarded two major contracts to transport waste down the Thames using new barges. **William Cory and Son Ltd (now Cory Waste Management)** has a 15 year contract to remove compacted waste from the new Western riverside Transfer Station, Wandsworth downstream to Essex. **Cleanaway Ltd** added a 10 year contract to its existing 5 year contract to transport waste from Westminster and the City of London to its giant Pitsea landfill site. British Rail has a freightliner contract to transport West London's waste to **ARC Ltd's** landfill site in Oxfordshire. In London 88 per cent of waste disposed of at landfill sites is carried by private contractors.

Recycling: Only about 15m tonnes of waste are reclaimed and recycled in Britain – the value of lost materials like waste paper, metals, textiles, plastics and glass is estimated at £750m. Thirty million tonnes of refuse have an energy equivalent of 12m tonnes of coal or 6m tonnes of oil – enough to heat 2.5m homes.

Hazardous and Special Wastes: Collection and disposal is almost entirely by private contractors. The Chemical Hazards Inspectorate have reported wide abuse of controls on the dumping of hazardous wastes in landfill sites.

New Developments

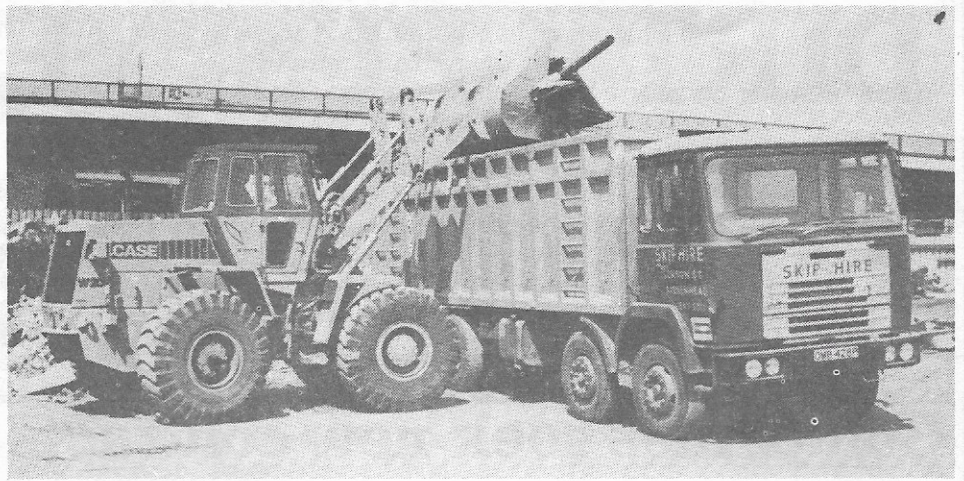
1. A number of waste disposal contractors have targetted cities to try to win a larger share of trade and commercial refuse collection from local authorities eg **Hargreaves Group** in Leeds, Sheffield, Middlesbrough. In London private contractors already collect 61 per cent of trade waste and 20 per cent of clinical waste from hospitals. Contractors are also widely used by many councils for bottle banks, removal of abandoned vehicles, clearance of fly tipping, and building waste.

2. There has been a spate of takeovers and mergers as companies seek to extend their geographic spread and increase their market share.

- **Hanson Trust** has just merged its London Brick waste disposal company **Landfill** with **Shanks and McEwan** to become, it is claimed, the largest waste disposal group in Britain.

- **Hawley Group** has acquired a 30 per cent stake in **Attwoods plc**. There have also been rumours of Hawley making a takeover bid for **Pritchard Services Group** and **Brengreen Holdings**.

- **Hargreaves Group**, **Leigh In-**



terests and the **BET Group** have recently acquired a number of smaller waste collection and disposal firms.

3. Waste collection and disposal is increasingly dominated by transnational companies.

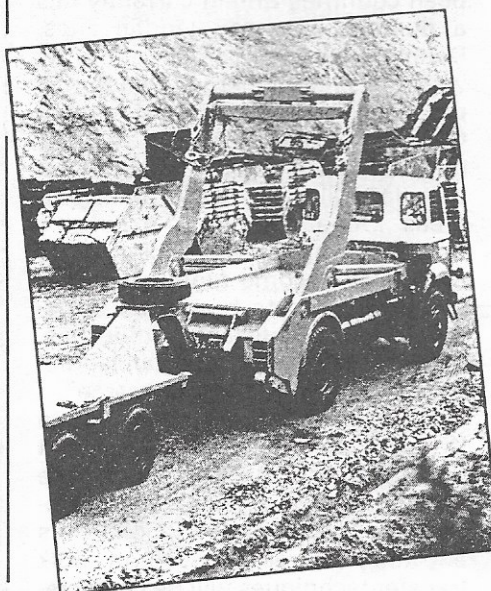
- In February 1985 **Browning Ferris Industries, USA**, acquired **Wastecare Ltd** (and its council refuse contracts) from Grand Metropolitan. **Cleanaway Ltd** is joint venture between **GKN** and **Brambles Industries Ltd**, the Australian transportation company.

- British based companies are expanding their overseas waste collection and disposal activities eg **Attwoods** in USA, **Pritchard** and **Brengreen** in the Middle East.

- The two major US companies, **Waste Management Inc** and **Browning Ferris Industries** are also extending their international operations.

4. New technology is creating new opportunities as landfill sites become scarce and demands for recycling and energy creation intensify. Mass burning incineration plants are becoming more advantageous after a period of technical

and financial instability in the 1970s. There are also plants turning refuse into fuel pellets. By 1995 seventy five mass burning plants are expected to be operational in America with annual revenues of \$4 billion. **Signal Cos.**, a \$5.9 billion-a-year aerospace, engineering and manufacturing company and **Ogden Corp**, a shipping, construction and maintenance conglomerate, have between them built 7 such plants. But the waste disposal companies are expanding to develop their own plants. **Waste Management Inc** is to build and operate a 2,200 tonne per day waste to energy plant near Fort Lauderdale, Florida. **Browning Ferris Industries** has linked up with **Air Products** to form **American Ref-Fuel** – it has financed, built and operates 4 plants. **Air Product's** British subsidiary is examining the potential for similar plants in this country.



5. Abolition of the GLC and Metropolitan Counties has left a series of joint boards (7 in London) and authorities responsible for waste disposal. The government is keen to encourage contracting out, partnership arrangements and contractors or private consortia to plan, organise and operate waste disposal activities for local authorities.

6. Privatisation of Water Authorities: With the planned privatisation of Water Authorities the government also intends to end the right of local authorities to act as sewerage agents for Water Authorities. This will lead to increased contracting out. **Anglian Water Authority** already plans to allow private contractors to operate new sewage works near **Peterborough**.

THATCHER FIRM FACES GRAND JURY

Denis Thatcher is vice-chairperson of Attwoods. Attwoods have been indicted by a Federal Grand Jury on a price fixing charge with a maximum fine of £720,000. Trial is set for July 1986. The charges follow a state-wide investigation of waste disposal monopolies – charges state that Industrial Waste Services and other companies fixed high prices and agreed not to poach each others customers and that these arrangements continued for at least a year after Attwoods took over the firm. Denis Thatcher has been out to Florida several times in connection with the firm's business. On a recent trip he stated "Of course I know all about it... but we have no concern of any Mafia connections".

Lessons from North America

Private contractors now collect about 60 per cent of household refuse in America, 30 per cent in Canada, and virtually all commercial waste. Three firms dominate the market, **Waste Management Inc, Browning Ferris Industries and Laidlaw Transportation** which are among the fastest growing and most profitable firms. There remain many small firms but only the big three have the resources to win major contracts. These firms expanded rapidly in the 1970s and 80s buying up hundreds of local and regional businesses, mainly family or 'mom and pop' operations.

Some important lessons:

- Many waste collection and disposal firms concentrated on the more profitable trade and industrial waste and then expanded into residential collection.

- The larger firms started intergrateing collection and disposal in the early 1970s. Control of the landfills led to control of the collection as well. For example, it is alleged that Browning Ferris acquired control of various strategic landfills around Pittsburgh and Denver and then tried to prevent other landfills from opening, cut its own collection charges whilst increasing tipping fees to others.
- Free competition is a myth. A few companies seek to monopolise the market. In recent years Federal and State agencies have filed more than a dozen anti-trust suits against waste firms and trade associations alleging conspiracy to fix prices, allocate customers, and eliminate competition. Overcharging is commonplace.

men who would rather not know how the waste is disposed of, from underlings in the big corporations who score brownie points by keeping their disposal costs down" (Risky Business, Forbes, 2 Dec, 1985)

- All the companies have adopted often vicious anti-union tactics to try to get rid of trade union organisation in a firm or a particular locality.

The activities of **Waste Management Inc** and **Browning Ferris Industries** have been documented in previous issues of PSA – see Nos 2 and 14 respectively. Below we detail some of the more recent activities and fines of **Waste Management**

- the governments Environmental Protection Agency (EPA) is seek-



- Allegations of Mafia and organised crime involvement have been widespread. Murders, truck bombings, threats of violence, bribery and corruption and various other illegal activities were alleged as the large companies expanded. The head of the New York State Organised Crime Task Force, Ronald Goldstock, has stated that the waste industry in both Long Island (through the Lucchese and Gambino families) and New Jersey are controlled by organised crime. They do so not through their ownership of the companies but by controlling the trade associations and the corrupt Teamster union branches and enforcing the feudal notion of property rights around which the industry is based.

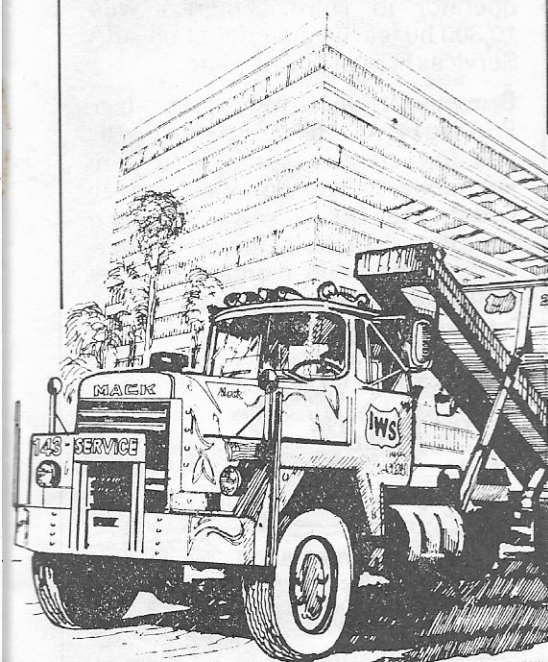
- Illegal dumping, particularly of chemical waste is increasingly widespread with grave environmental consequences. "The financial rewards are now so tempting that even the mob has plenty of independent competition – from sleazy businessmen who don't scruple to make an environmentally unsound dollar, from once-legitimate business-

ing a \$7m fine for allowing hazardous chemical seepage into groundwater at Kettleman Hills, California.

- a \$700,000 fine in July 1985 for defective controls and record keeping at an Oregon site.
- Ohio state fined WMI \$10m fines to be paid over ten years plus another \$10m enforced investment programme to comply with regulations at Vickery. The state originally demanded a \$480m fine. The EPA fined the company \$6.8m at Vickery but settled for \$2.5m.
- \$600,000 fine for illegally storing PCBs at Emmelle, Alabama plus \$450,000 cost of environmental studies.
- EPA evidence of more than 100 civil violations of agency regulations at various sites.
- Montgomery County, Alabama grand jury investigating possible conflicts of interest involving public officials and WMI permits since 1983.

In response, WMI launched a \$5m television advertising campaign "to humanise the perception of the company" and hired key officials to run a government lobbying operation in Washington.

WASTE



THE WASTE CONTRACTORS

Cory Waste Management: A subsidiary of **Ocean Transport and Trading plc**, the £780m turnover shipping, cargo and international freight group which also includes Cory Coal, Britain's largest private coal trading company. Cory Waste Management has domestic and industrial waste contracts in southern England in addition to the GLC contracts.

Hargreaves Clearwaste Ltd: Part of the fuel distribution, quarrying, shipping and road haulage **Hargreaves Group** based at Wetherby. Hargreaves also distributes construction and mining materials. It acquired the Manchester based waste disposal firm Peter Andrew Ltd, Yorkshire Waste Disposal of Sheffield, and Chemical Vessel Services, an industrial cleaning and asbestos stripping firm, last year. It has also recently acquired new landfill sites in Derbyshire, Durham and Scotland. Clearwaste operates solid, liquid and trade waste collection and disposal and a tank cleaning service. Group turnover reached £397.7m in 1985 with pre-tax profits of £7.1m after two years of reorganisation and rationalisation.

Shanks McEwan Group Ltd: A major part of the Glasgow based firms capital investment has gone into expanding domestic and industrial waste activities. turnover of the civil engineering and plant services firm was £32.9m last year. It has 4 long term waste contract with local authorities in Scotland. It also operates from Corby. Roger Hewitt joined the board of directors from Browning Ferris last year.

Leigh Interests plc: Waste disposal represented £19.6m of the firms £24.4m turnover in 1985 and most of its profits. Also owns Derby Waste Disposal Ltd, Progressive Waste Disposal and Gibson Waste and recently acquired Hales Industrial Services and the Hertfordshire based Contract Gully Cleansing Ltd. Its Sealosafe business deals in toxic wastes. West Midlands based Leigh won control of the Cartaways waste disposal business from Maurice Jones Industries in 1985 for £5.77m and now claims to be Britain's second largest disposal outfit.

Cleanaway Ltd: A joint venture between **Guest Keen and Nettlefolds plc (GKN)** and **Brambles Industries Ltd**, the Australian transportation and material handling company. Cleanaway has 45 depots around Britain and operates the giant Pitsea and Rainham landfill sites in Essex.

It's heavily involved in trade waste collection and bottle bank collections. Last year it acquired O'Brian Waste Disposal Ltd to develop services in Ireland. Brambles also owns Cleanaway Waste Services which has several council refuse contract covering over half a million households in Australia.

Attwoods plc: Operates sand and gravel extraction and waste disposal in Britain through its **Drinkwater Sabey** subsidiary which has waste disposal contracts with British Rail and owns quarries in Yorkshire, Dorset and Bucks. Its main waste disposal activities are based in Florida, USA having acquired Industrial Waste Services (£17m) and County Sanitation Inc (£9.3m) since 1984 and more recently another Florida firm, A.L. Wyatt Refuse Disposal Servicing. Turnover increased rapidly from £9.6m in 1983 to £32.2m last year and is expected to exceed £50m this year. Pre-tax profits have multiplied five times to date. Hawley Group bought a 30 per cent stake in Attwoods from British Car Auctions in April 1986

Biffa Waste Services: Part of the £1.42 billion turnover **BET Group** which also owns initial and Advance Services. Biffa acquired C.F. Moon and Sons, the Bradford based waste disposal firm last year and has spent £2.8m re-equipping the front-loading waste compactor vehicles and expanding its West Yorkshire contracts including those with Leeds City Council's Works Dept. Biffa has a number of landfill sites around the country.

Wimpey Waste Management Ltd: based in Salford and part of the **George Wimpey** construction and civil engineering group. Lanstar Wimpey Waste processes industrial liquid waste in the Midlands and north of England.

Taskmasters (Hawley Group), **Waste Management Ltd** (National Freight Consortium) and **Pritchard Industrial Services** (Pritchard Services Group) have been examined in

previous issues of PSA.

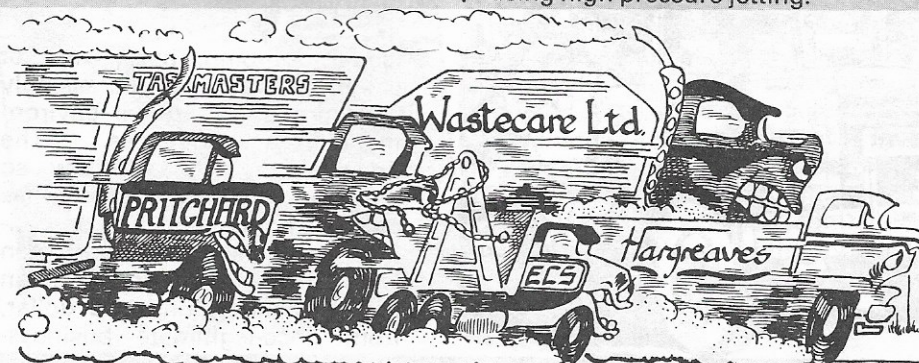
Exclusive Cleansing Services (Bren-green Holdings) has the majority of council refuse contracts and only expanded into waste disposal with the acquisition of the Manchester based White Cross Group (refuse equipment and compactors) and its Wastedrive subsidiary in late 1983.

The major US waste companies

Waste Management Inc: now the world's largest waste management firm with annual turnover exceeding \$1500m with operations in USA, Canada, Saudi Arabia, Australia, Argentina and Venezuela. It operates in 36 US states with 25 transfer stations, 89 landfill sites and 8 chemical waste plants. Subsidiaries include Chemical Waste Management and Chem-Nuclear Systems. In 1984 it won the \$423.2m takeover battle for the then third largest waste disposal company SCA Services Inc. Waste Management took 60 per cent of SCA whilst the remainder was sold to Genstar to avoid Federal anti-trust investigations.

Laidlaw Industries Inc: Operates waste collection and disposal in Canada and USA and is part of the Hamilton based **Laidlaw Transportation Ltd.** It is the largest waste disposal firm in Canada and third largest in America with over 150 municipal contracts and 11 landfill sites. It acquired 14 waste management companies in 1985 alone. Waste accounted for 40 per cent of the groups \$556m turnover in 1985. Profits nearly doubled in the same year to \$58.7m. Industrial waste accounted for 62 per cent of turnover, residential collection 29 per cent and the remainder from transfer station and landfill operations. Laidlaw is now the largest school bus operator in North America with 10,300 buses having bought up ARA Services school bus division.

Browning Ferris Industries: (see PSA No14) As well as **Wastecare BFI** has formed **Sewercare** in a joint venture with van der Valk and de Groot, the Dutch sewer cleaning equipment manufacturers. Sewercare cleans large diameter sewers using high pressure jetting.



WHO CONTROLS BUILDERS?

Building control officers in local authorities are beginning to feel the effects of the opening of building control to private operators last November.

So far the NHBC (National House Building Council), the big builders club, is the only rival in the field, with its own company Building Control Services (BCS).

NALGO reports that the NHBC is selling its services to builders with glossy publicity – and giving the impression that it provides the only service.



NALGO's 6000 members in building control are fighting back.

- Members are continuing their action of refusing to co-operate with people using private contractors. They have found welcome support in the north east from members in other departments such as drainage engineers who are refusing to carry out non-statutory duties on sites where NHBC inspection is being used.
- Local authority building control officers are also checking initial notices submitted by the NHBC with particular care and in several areas have rejected them, and informed building companies that council services are still available. Builders are reported as generally switching back to council inspection.
- Some branches have persuaded councils to insert clauses in land sale agreements which require all work on site to be inspected by local authority building control departments.

Local authorities are launching a welcome counter offensive against competition from the private sector. Some councils have combined together to form a building control consortia to compete more effectively. Many have produced comprehensive publicity material explaining the extent of local authority services to builders and the advantages of using the public sector.

NATIONAL COORDINATION LAUNCHED AGAINST ESTATE SALES

120 delegates from over 40 tenants organisations and trade union branches agreed to launch a national co-ordinating group against estate sales at a special conference in Nottingham on April 12th.

Delegates spent the day exchanging experience and discussing tactics and ended by slamming the new Housing and Planning Bill as a "final attempt to dismantle council housing". There was unanimous agreement that co-ordination of action is needed but the strength of any national campaign will lie in strong local organisation and action.

A conference report is being prepared. More trade union representation is being sought for the co-ordinating group. Anyone interested or wanting more details, phone the Nottingham SCAT office on 0602-412563.

NURSES FLATS: FOWLER FUDGE

Norman Fowler has done little to appease the fears of nurses in the last few weeks. While announcing a doubling of the sales target for health authority owned flats for NHS staff in the current year (now to total £130 million), he has denied that this will involve making nurses homeless and has promised that no eviction proceedings will be taken against NHS staff. However, the £130 million is being counted towards the Government's calculations of growth money in the NHS.

CORRECTION

We apologise for two errors in the article on Cantril Farm in PSA 19. No UDG (Urban Development Grant) has been given. UDG was applied for in September 1985 but was 'withdrawn by all parties'. All debt charges are not wiped out but Knowsley tenants paid £149,000 in 1984/5. And general debt charges paid by Knowsley will rise to £400,000 in 1986/7.

SYSTEM BUILT AND TOWER BLOCK HOUSING PROJECT LTD
A newly formed national housing project run by tenants groups councils and trade unions wants to appoint:

A Project Team of Three Workers
★ Administrator ★ Information Worker
★ Campaign Worker

to be based in the project H.Q. in Manchester

Wages: £192.00 per week approx.

Further details and application forms
from: D. Simpson, Floor 3, Municipal
Offices, Rochdale.
Closing date: 30th May, 1986

NEW PAMPHLET

WE ARE NOT FOR SALE is the crystal clear message of a new pamphlet from SCAT Publications focusing on council estate sales and the privatisation of housing management. It's a 32 page action report with the emphasis on action.

With the government increasing the pressure for sales and many local authorities, particularly Labour-controlled councils, actively considering deals, no trade unionist involved in public housing can afford to be without this pamphlet. A follow-up publication with more background information and details of tenants campaigns is due out in June/July.

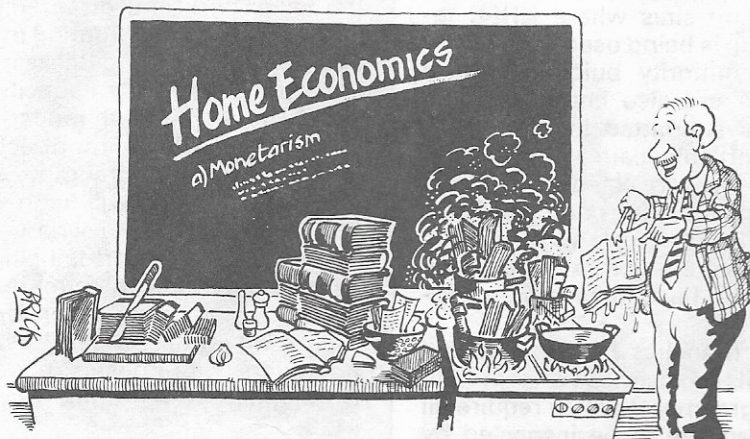
PRICE: £1.50 to tenants and trade unionists, £2.50 to all others.
FROM: SCAT Publications, 27 Clerkenwell Close, London EC1.



WHO 'WINS' with in-house tenders?

Figures extracted by Frank Dobson MP from the DHSS show that an increasing majority of contracts in the NHS are being won by in-house bids.

The percentage of cleaning contracts going to DHA tenders has gone up from 78% in May – November 1985 to 85% May 1985–April 1986. The figures for catering and laundry are similar with only a handful going to private companies. The "savings" as a result of in-house bids totalled £23m in November 1985 compared to £18.2m from private contractors taking over services. The overall total savings from the whole process only comes to £40m which is less than half of one per cent of the NHS revenue budget. (ref: Health & Social Service Journal 24.4.86)



'AT THE END OF THE DAY, IT IS CLEARLY IRREFUTABLE THAT PRIVATISATION MEANS BIG SAVINGS FOR PUBLIC MONEY!!'

There are several reasons:

- Health Service managers can achieve their aims just as well with an in-house tender as with a private contractor. Competitive tendering – a case of the lowest bid wins – is about reducing the costs and quality of public services by attacking wages and conditions and reducing staffing levels. Simultaneously management can seize their chance to undermine Trade Union organisation.
- Many health service managers are desperate to keep essential services under their control, and not face the problems of monitoring and badgering contractors, with no real powers to enforce the already reduced standards in the specification.
- There is now widespread acknowledgement of the poor record of private contractors and their inability to deliver an adequate service. Their bids are now being treated with scepticism by health service managers and Members.
- Health Service managers are aware of the difficulties of re-establishing an in-house team, complete with management, equipment and staff once you have disbanded it.
- Many local and national trade unionists have felt that at the end of the day it is better to co-operate

with an in-house tender than to see their members lose jobs altogether.

In house tenders are now being put together by managers without any consultation with the trade unions or DHA members. They often come after a softening up period of staffing cuts, frozen vacancies, loss of overtime and bonus and the use of temporary contracts: all of this is to make the in-house team "more competitive". The co-operation of the workforce has been gained, sometimes over the heads of the Unions, by threats of redundancy or being employed by a private contractor.



Cuts all the way

The result is that the in-house tenders involve similar reductions in working conditions and quality of service as the private contractors.

For instance: **Birmingham City Childrens Hospital:** domestics took a £20 a week cut in pay to keep the

service in-house.

West Norfolk: cuts between £4 and £7 per week in pay plus 20 voluntary redundancies.

Nottingham: 30% reduction in cleaning budget was achieved by reducing women's hours from 15 to 12½, scrapping overtime pay and setting performance levels 20% higher.

Wirral: domestics weekly wages cut by 50%, up to £30 per week.

Recently there have been a number of DHAs where the in-house price was dramatically lower than the nearest private contractor tendering:–

Durham: the DHA bid won at £178,000, with the two nearest private bids being for £244,000 and £246,000.

Haringey: the DHA was £106,000 less than the lowest contractor.

Wirral: the DHA tender for the Arrowe Park Hospital undercut Mediclean by £184,000.

North Birmingham: the tenders for the Tamworth Hospital were Sunlight £68,899.41, DHA bid £35,058.97.

Are these the result of massive miscalculation by management, or is it that financial pressures are uppermost in their mind? The only other explanation is that contractors are putting in very high bids because they do not want to win the contracts.

Storing up problems

The consequence of such drastically low bids are long term. The price an in-house tender wins on becomes the Budget figure for the three years of the contract, and cannot be increased when it becomes clear that it is inadequate. Competitive tendering is not a one-off event. Every three years, there is scope for more cuts as the contract holder has to compete again – Barking and Addenbrokes are both situations where the private firms imposed cuts in order to hold on to the contract for a further term.

This trend has posed difficult dilemmas for trade unionists. It has often meant choosing between co-operating with an in-house tender, keeping your members and hoping for "better days to come" and having nothing to do with a process that involves negotiating cuts in jobs and services. Joint union activity in the North East, involving calling strikes and actions over several hospitals in protest at the proposed terms of the DHA bid has succeeded in delaying the privatisation programme.

Whoever "wins" the competitive tendering, it certainly isn't the people who work for the NHS or use the services.

Bus Deregulation: worst fears



PRIVATE BUSES SAFETY SCANDAL

Over a quarter of all private sector buses fail their annual public service vehicle test, according to a Department of Transport answer to a parliamentary question. Figures for 1984-5 showed:

London Regional Transport vehicles	5.3% failure rate
National Bus Company vehicles	9.2% failure rate
Other local authority vehicles	8.1% failure rate
Privately owned buses	28.7% failure rate

JOBS AND SERVICES TO GO

Figures are beginning to emerge revealing the degree of cuts which the Transport Act will cause. Recently Greater Manchester Transport Authority revealed plans to cut 2000 jobs (from a 9,000 total), cut services by 30% and close 3 depots and 4 engineering works. Under the Act the authority has to become 'commercially viable' by 26th October.

Nottingham City Council is in the process of setting up its bus company as required by the Act, at an initial cost of £1 million. The new company's Business Plan includes

cutting some 100 jobs, other cuts in pay and conditions, but a £750,000 pre-tax profit is planned and the Managing Director and Director of Operations have just been awarded a pay increase.

NO SERVICE FOR RURAL ROUTES

Applications from private bus operators to local authorities under the procedures laid down by the Transport Act show that many rural areas are likely to lose their last public transport links with towns, apart from school buses and some special shopping services. For example, one small Midlands town which currently has 47 daily bus departures is likely to have only 2 after October. Not surprisingly private companies have shown interest in running obviously profitable routes: overall 20% of routes have no applicants at all. What has also emerged is the likelihood of massive cuts in evening and weekend services, re-routing of services at weekends and the intention of many operators to increase fares – by about 50%, while scrapping children's fares altogether.

More News

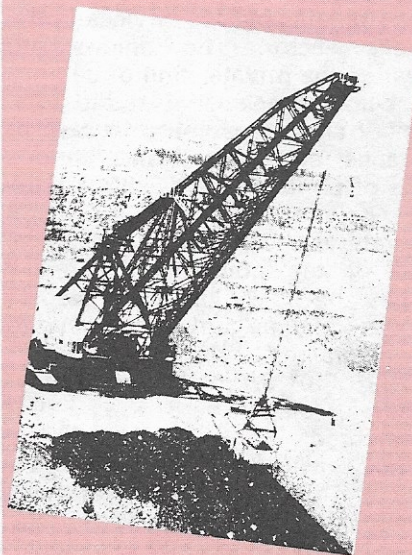
PRIVATE MINES

The opencast coal contractors have, for the first time publicly, produced a plan for the phased privatisation of the opencast coal industry. The Federation of Civil Engineering Contractors have submitted details to the House of Commons Energy Committee currently examining the industry. The NCB's Opencast Executive owns and controls opencast mines and markets the coal but the extraction is carried out by contractors. (see PSA No 10) The 14m tonnes annual output (14 per cent of the total) includes very high quality coal which is blended with lower quality deep mined coal for power stations. It is also highly profitable. NCB opencast operating profits were £211m in 1984 compared with £595m loss in deep mining.

The Federation carefully avoids proposing immediate hive-off to the contractors because it doesn't want to halt the provision of new sites or to interrupt production (ie interfere with their profits). It wants privatisation in stages.

1. the power to licence private mines to be removed from the NCB and transferred to the Dept of Energy, and current restriction lifted.
2. the Opencast Executive transferred to the Dept of Energy and to continue survey and exploration work.
3. new opencast sites to be sold on a lump sum or royalty basis to private firms
4. the Opencast Executive to cease management of sites and exploration work and become merely a licensing office.

The table lists the current opencast contractors.



THE MAIN OPENCAST MINING CONTRACTORS

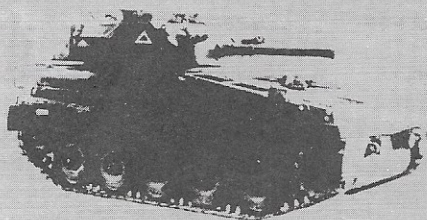
Firm	No of Sites	Total Tonnes (m)	Parent Co.
Taylor Woodrow Constr. Ltd	1	12.83	Taylor Woodrow
Shand Ltd	4	12.03	Charter Consolidated plc
Derek Crouch (Contractors) Ltd	4	11.69	Derek Crouch plc
James Miller & Partners	5	10.74	
Fairclough Parkinson Mining Ltd	3	7.73	Amec plc
A.F. Budge (Contractors) Ltd	5	7.70	
Wimpey Construction (UK) Ltd	5	6.69	George Wimpey plc
Murphy Brothers Ltd	3	6.25	
French Kier Construction Ltd	2	6.13	C.H. Beazer
Shepherd Hill & Co. Ltd	3	3.33	
McErlain Plant Ltd	2	2.87	Burnett Hallamshire Hdgs.
Northern Strip Mining	1	2.70	Burnett Hallamshire Hdgs.
Norwest Holst mining Ltd	2	1.61	Dunham Mount Ltd
Merriman Meighan Ltd	2	0.78	
ARC Ltd	1	0.75	Consolidated Gold Fields
W.J. Simms, Sons & Cooke Ltd	1	0.56	Trafalgar House

(Sites in Production at July/August 1985, total site production in millions of tonnes)

Civil Service

PATENTS OFFICE

In its search for the next target for reducing civil service numbers, the Government has revived an old plan – twice rejected – to hive off the Patent office. Ministers argue that the work of the Patent Office could be more effectively carried out without the restrictions of a civil service department. The trade unions argue that the Office can carry out its work effectively within the Civil Service, and should be allocated extra staff to improve its effectiveness. A campaign to win support from the users of the Office is well under way and plans to lobby MPs are in the pipeline.



FALKLANDS FACTOR

The fourth anniversary of the start of the Falklands war marked the start of a major CPSA campaign against government, proposals to hive off a wide range of defence support services. Some 200 studies, themselves costing millions of pounds of public money, are currently under way to find areas of these services which can be contracted out to the private sector to save money.

The campaign is aimed mainly at backbench Tory MPs whose known concern with defence and recent tendency to criticise front bench policy is thought to offer the best hope of keeping the services in the public sector. The unions are arguing the privatisation of defence back-up services could lead to inflexibility and unreadiness in case of defence emergency, and serious loss of parliamentary control. Alistair Graham (retiring CPSA General Secretary) observed that the logical end of the government's policy would be *"the ludicrous stage... where Chieftain tanks would have to be maintained by the local garage"*

The CPSA estimates that if government plans were to be implemented, some 20% of the 170,000 civilian jobs involved would be cut. The fact that many of these are in Tory-held constituencies may well help to influence backbench views on the issue.

WATER!

WATER CAMPAIGN GROWS

Well over 100 delegates representing 70 trade unions, local authorities, consumer and environmental concerns attended a conference against the planned privatisation of water on 25 April in London. The substantial and overwhelming economic and environmental case against water privatisation was spelt out speaker after speaker. The Council for Environmental Conservation agreed to coordinate the activities of all the various environmental groups. The Water Industry Unions Committee is preparing a detailed response to the governments consultation paper issued at the end of April outlining measures to control pollution and protest the environment after privatisation. Regional groups of the committee are planning various activities at agricultural shows etc in the coming months.

The Water Industry Unions Committee (Alan Jackson, NALGO, 1 Mabledon Place, London WC1) have produced the following charter for water.

WATER WORKS  **KEEP IT PUBLIC**

A CHARTER FOR WATER

- 1 PUBLIC interest not private profit – the waste industry belongs to us all. Public ownership is the only way to ensure a responsible approach to supply and disposal.
- 2 RENEW the nation's infrastructure – lift government controls on borrowing so that vital investment can go ahead.
- 3 DEFEND public safety – keep flood protection, Sea defence and land drainage in public hands.
- 4 PROTECT the environment – retain public control over water quality, sewage and waste disposal.
- 5 PUBLIC health first – for proper and responsible application of European directives on bathing water and drinking water quality.
- 6 CLEAN up water – we need a serious programme to remove toxic substances like lead, pesticides, nitrates and aluminium.
- 7 END the secrecy – admit the public to water authority meetings and open all aspects of environmental pollution effluent discharges and so on to public scrutiny.
- 8 MORE local accountability – communities have a right to a say in how their service is run.
- 9 NO more job cuts – maintain proper staffing levels to do a proper public service.
- 10 FOR national strategy – the industry needs a national co-ordinating body.

TRANSNATIONAL CLEANING LINKS

Francoise Berthet, CFTD (Democratic Workers Federation) Branch Secretary at Orly Airport recently visited London and Sheffield to help forge transnational links against contractors. Speaking at a May Day public meeting in Sheffield she described how Pritchard Services Group had lost the cleaning contract at De Gaulle Airport following successive strike action, including an 18 day strike in April 1985. Similar industrial relations problems at Orly Airport is likely to lead to Pritchard's

loss of a second contract.

The meeting agreed to:

1. arrange exchange visits between French and British workers and in particular to set up links between Sheffield cleaners and the cleaners at Orly Airport with a possible visit in a few months time.
2. hold a regular public meeting each May day with international trade union speakers to celebrate International Labour Day and build solidarity across national boundaries.

Sheffield and French cleaners meet on May Day



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- * Companies.
- * Services.

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PUBLIC SERVICE ACTION

Information

FIGHTING PRIVATISATION IN LOCAL GOVERNMENT.

Report of the National Local Government Committee, NALGO, 1 Mabledon Place, London WC1. The first part details the reasons for the government's privatisation programme and the effects on services, jobs and conditions. It then sets out NALGO's anti-privatisation campaign strategy. The Committee strongly emphasize the need to expand and develop public services, develop alternative plans, take joint action with users, develop flexible, selective and imaginative industrial action as a tactic to be used alongside others. The Committee are firmly against members tendering for their own jobs except as a very last resort. Details campaign action at national, district and branch level in NALGO. A refreshing and welcome development of NALGO's strategy.

THE PRIVATISATION OF NHS ANCILLARY SERVICES by Wendy Leedham of the Workers Educational Association. This is a useful analysis of the political and economic background to contracting out in the NHS, of the variation in the carrying out of the tendering process in different health authorities, and of the problems facing trade unions and their responses. But which workers was it written for? 95p from WEA, 9 Upper Berkeley St, London W1.



AIDS: INFORMATION PACK FOR TRADE UNIONISTS

to be published in May 1986. The pack has been produced by a steering committee set up at a 1985 conference entitled: "AIDS - a Trade Union Issue", organised by trade unionists involved in taking up issues connected with AIDS in their workplaces and unions. Further details from: Chris Eades, c/o NALGO Office, Westminster City Hall, Victoria St, London SW1E 6QP.

THE REALITIES OF HOME LIFE

is the excellent report of a research project into private homes in the West Midlands co-published by NUPE and the late Metropolitan Council. It fills a major gap in material available on the privatisation of care of the elderly. Its meticulously documented detail, compiled by the researcher actually working in various homes, provides proof of a pattern of bad practices by unscrupulous home owners. It moves away from the trap of the 'shock horror' story about individuals, to show how this bad practice is facilitated by government policy, encouraged by government funds and uncontrolled by any statutory authority. It shows how the North American care situation lies ahead for the UK. Read it - and use it to fight for public provision.

£2.95, from TURC publishing, 7 Frederick St, Birmingham.

GCHQ: THE CAMPAIGN SO FAR.

A history of the attack on trade unions at GCHQ, the unions' resistance, the legal battles and the wider campaign - and a timely reminder to the trade union movement of its commitment to action should any GCHQ trade unionist be dismissed for union membership. From CSU, 5 Praed Street, London W2 or SCPS, 124/130 Southwark Street, London SE1.

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Homes and Jobs

The recent HOMES AND JOBS Conference organised by Sheffield City Council Employment Department has produced an Information Pack. The pack provides the information to establish the link between house-building and jobs. It covers housing need, investment policies, the building industry in slump, how spending on construction creates jobs, the state of DLOs and pay and safety in the building industry.

Available free from the Employment Department, Sheffield City Council, Palatine Chambers, Pinestone Street, Sheffield S1 (0742-755215 ext 230)

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