

PUBLIC SERVICE ACTION

Action Organising Information Contractors New threats

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AN ANTI-PRIVATISATION NEWSLETTER FOR THE LABOUR MOVEMENT No 4 OCT 1983

BT Sale: MORE ACTION-



STEFANO CAGNONI/JFL

The Post Office Engineers at their special conference on 19th September endorsed by a large majority the new NEC strategy for fighting privatisation. The NEC plan includes the use of industrial action not just against Project Mercury, but against the whole privatisation process: its approval by conference marks a crucial step forward in the British Telecom (BT) campaign.

The POEU campaign will be on four main fronts:

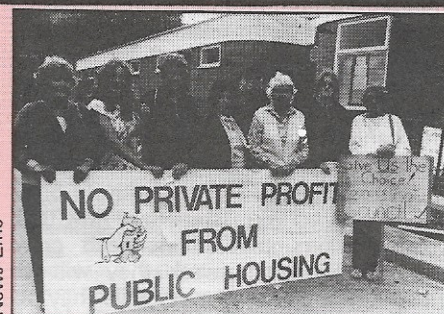
- A renewed and strengthened publicity campaign directed at BT unions, the wider labour movement and the public;
- A package of industrial action measures to be used as an integral part of the campaign.
- Pressure for a coordinated campaign by all BT unions through the British Telecommunications Unions Committee (BTUC) which is starting a new publicity campaign.
- A vigorous Parliamentary campaign against the Telecommunications Bill at all stages of its passage.

The conference was crucial also in reaffirming the Union's commitment to public sector union alliances. While confirming POEU support for united action within BT through BTUC, the conference decided to allow branches to set up separate action committees in areas where other unions in BTUC would not commit themselves to industrial action, to ensure that POEU

action would not be obstructed. On a broader front, the conference welcomed the passing of their motion on privatisation at the TUC, but agreed that while waiting for the TUC to take action, the POEU itself would initiate an alliance of public sector unions to organise a coordinated fight against Government privatisation plans. News of Mercury's £2.25m annual lease with British Rail to lay cables alongside tracks will be a crucial test of this alliance.

ACTION ON MERCURY

POEU action on Mercury has continued in London, with 100% backing from members called out. At present all work on private lines into the Mercury parent companies (BP, Cable and Wireless, Barclays Bank International) has been blacked. With renewed support from conference and instructions to inter-connect imminent in other parts of the country, action on Mercury is likely to escalate in the near future.



News Line

GRANDMET STOPPED

Combined action by council tenants and NALGO district housing staff have stopped, at least temporarily, Grand Metropolitan carrying out a feasibility study into privatising housing management in the Roehampton area of Wandsworth.

Tenants picketed the district housing office for 2 weeks to prevent Grandmet entering. When the firm were given a town hall office tenants confronted the Grandmet representative and followed this up with a delegation to their head office a few days later. Two tenants delegates were invited in for talks with senior Grandmet management. NALGO housing staff and NUPE caretakers held a 1 hour stoppage the next day and distributed leaflets on the effects of privatisation to the public.

Grandmet have now halted work although the council is claiming they have finished.

NALGO, NUPE and tenants representatives have held several joint meetings and set up a working party to prepare detailed proposals on alternatives and improvements to the housing service. The Stewards Committee have already produced some proposals including better communication and response to complaints, re-organising District Offices to bring in area based teams linking management and maintenance work, and tightening the accountability of existing repairs contractors. Further details from Peter Ramage, NALGO Tel 01-870 2420 (day) or Christine Cox, Tenants Rep. Tel 01-788 9436

More contractors FINES & FAILURES

● **Taskmasters** (Alfred Marks) street cleaning contract in **Merton** is in deep trouble. In the last month they have sacked a supervisor and the manager **Tony Whitwell**. Fines for failing to clean streets have now reached £14,500. The firm has admitted that one in five streets are not being cleaned and the fines are 'severely eating into any profit we had hoped to make'. Taskmaster now employ 14 more roadsweeps than they had when the contract started. Four extra sweeping machines and extra staff are costing Taskmaster's £1000 a week.

Before being fired, Manager **Tony Whitwell** explained: 'I feel the council must consider taking away the contract because of the poor and disappointing service. It is unfortunately we based our estimate for the job on the expectation we could sweep a lot of the roads mechanically but we can't get close to the kerb if there are cars parked there.'

In a desperate attempt to hold onto the contract Taskmasters have now told their workers that unless each crew covers 20 miles a week they will be fined £10 a week for every mile they do not sweep. It could mean that wages would drop an average of £32 to £80 a week.

● Another contractor has miscalculated. **Waste Management** took over refuse collection in **Taunton** with 22 workers and six vehicles. They have been forced to increase the workforce to 26 using eight vehicles. This is only one fewer worker and the same number of vehicles proposed by direct labour before privatisation.

● Disputes continue on **Pritchard's** refuse contract in **South Oxfordshire** (see PSA No 3). A Pritchard supervisor has been spying on and timing the workers from a car following the refuse vehicles on their rounds. There was another stoppage recently when workers were not paid for five days following a computer breakdown. Twenty workers have been sacked since April and many replaced with casual labour.

● A firm which ran the catering at Bath's sports centre, the **Oasis centre** in **Swindon**, and the town hall in **Chipping Sodbury** has gone bust. **ABS Hotels Ltd** won the Bath contract in April 1982 and employed ten workers at the centre.

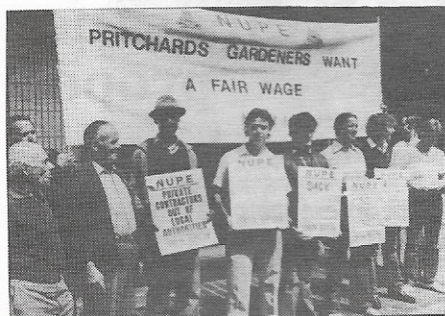
● **Pritchards** have now been fined a total of £84,597 on its grass cutting contract with **Wandsworth council**. The firm's street cleaning contract was still incurring nearly 800 penalties per month during the summer.

● A barrage of complaints have been received about the standard of cleanliness of **Merton's schools** since **Academy Cleaning** began work in September. There have also been allegations of vandalism and petty theft. The council are threatening to revoke the contract.

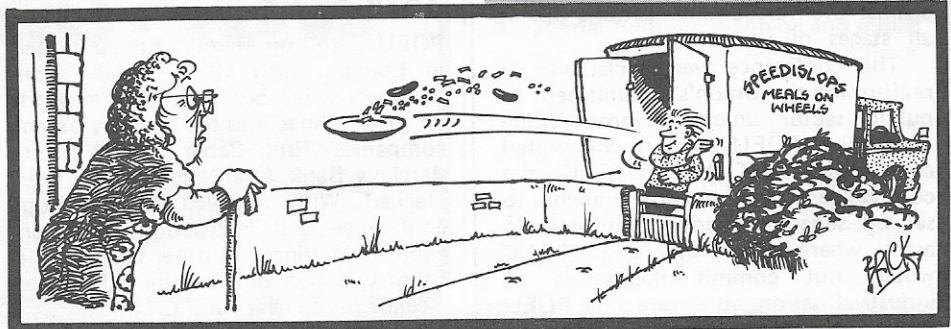
● **Home Counties Hospital Co Ltd** (part of the Home Counties Cleaning Group, see PSA No 3) had a cleaning contract with the **Leeds Western Health Authority** at **High Royds Hospital** which terminated last Xmas. There were numerous complaints about the quality of work and union observers claim they were not fulfilling the terms of their contract. They used casual labour despite an agreement not to, coupled with, it is rumoured, a certain amount of 'creative accounting'.

● Following hard on the heels of the sacking of **Initial Services** from the cattle market cleaning contract in **Gloucester** (see PSA No 3) another contractor has been given the boot, **Amalgamated Cleaning Services** of **Penarth, Wales** wrote a begging letter to the council pleading with them to double the contract price to £64,000. They claimed they were losing money. They Tory council have decided to return to direct labour.

STRIKING SUCCESS



A 4 week strike by 38 gardeners on **Pritchard's Wandsworth** contract ended in victory. Because of heavy fines **Pritchard's** introduced a piecework system which meant wages as low as £20 per week. The workers joined **NUPE** and went on strike. Eventually **Pritchard's** agreed to recognise union membership rights; set up a works committee consisting of worker and management reps which will discuss all new working practices and disputes over prices for jobs; guarantee the basic wage paid prior to the piecework system; and to issue protective clothing and footwear.



Council services which have just recently come under the threat of privatisation.

COUNCIL SERVICES UNDER THREAT

Basingstoke	Refuse
Bournemouth	New Conference facilities, other services being investigated.
Devon County Council	Road maintenance
Edinburgh	Refuse
Harrogate	Refuse, car parks and toilets
Havering	Architects
Medway	Housing maintenance, refuse, leisure facilities and computer services
Mid Suffolk District Council	Refuse
Penwith	Refuse and toilets
Rugby	Refuse
Sefton	Refuse
South Wight	Refuse, beach trading, parks and gardens, administration
South Hertfordshire District	Refuse
South Kesteven	Refuse and street cleaning
Solihull	Hit list of 20 services
St Edmundsbury	Refuse
Stratford	Street cleaning and refuse
Tamworth	Refuse
Taunton	A wide range of services
Wandsworth	Housing management, public halls
Westminster	Architects, Valuers, cleaning, caretaking and library closures

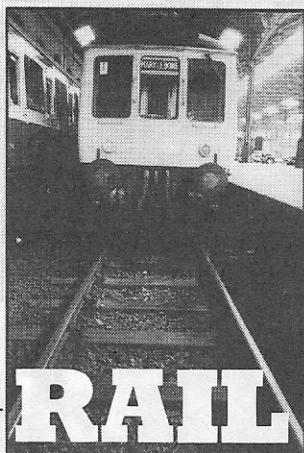
Services Recently Privatised

- **Vale of White Horse District Council** have sacked their 64 strong refuse workforce. **Exclusive Cleansing Services** take-over in October with 45 workers.
- Cleaning of two high schools in **Norfolk** has reverted to private contractors after being done by direct labour for three years. **ISS Servisystem Ltd** won the contract. This poses a threat to all the other **Norfolk** schools which are currently cleaned by direct labour.
- Labour controlled **North Tyneside council** has awarded a £30,000 contract to a local firm for a weekly cleaning service of communal areas in council flats and maisonettes.
- Domestic services and catering at the **Fire Station Training College** near **Gloucester** has been contracted out to **Grandmet**. Of the 140 workers only about 65 have been taken on by the contractor. Most workers wages will be cut by between £20-£30 a week.

JOINT ACTION

A joint **NALGO/NUPE** Privatisation Committee has been set up in **Westminster** to fight the council's planned £5m cuts and privatisation of services. The Committee will promote joint action, develop links with community organisations, and work towards setting up a joint shop stewards' committee. A mass meeting of 500 **NALGO** members voted to work to rule and ban cover for vacant posts.

Philip Wolmuth



RAIL SALE

British Rail is under threat of privatisation in a number of ways. These can only lead to further massive job losses in BR and the railway workshops, line closures and further cuts in services for passengers. The Secretary of State for Transport, Tom King, recently told rail unions that the government expected large scale private investment in BR to start very soon.

● The government is considering a plan by BR, supported by British Caledonian Airlines, to privatise the Victoria-Gatwick rail link. With the expansion and growing popularity of Gatwick it is likely to be highly profitable. BR is also considering selling the Windsor-Slough commuter line to a small firm called Rail Ltd.

● BR has decided to put all new orders for locomotives and rolling stock out to tender. Previously they went automatically to BR's own engineering subsidiary, British Rail Engineering Ltd (BREL). This could lead to orders going overseas resulting in large scale redundancies at BREL workshops in Derby, Crewe, York and Doncaster on top of the planned closure of the Horwich, Shildon and Temple Mills workshops. Rail unions fear BREL will be hived off

● BR's Sealink ferry service is still being groomed for sale.

● The right wing rail-to-road conversion lobby has been boosted by a report commissioned by the Department of Transport which suggests more lines could be paved over. BR then commissioned a £50,000 study from consultants Coopers and Lybrand to examine various schemes in the London area. It should be ready by Xmas.

● Several London mainline stations are to be comprehensively redeveloped providing golden opportunities for property developers to exploit publicly owned land.

● Contracting out rail catering services is still under active consideration.

★ A mass meeting of NUR members have decided to fight London Transport's threats to privatise the entire lift and escalator maintenance department unless 77 jobs are cut.

TELECOM MANAGERS OPPOSE BT SALE

The Society of Telecom Executives (STE), representing 25,000 British Telecom managers and professional staff, has just produced a damning report on the planned privatisation of Britain's telephone system. The STE concludes that:

1. There is no convincing argument in favour of privatisation. In fact, there are significant risks that the privatised and regulated BT may present the worst, not the best of both worlds.
2. It offers no economic advantage, being likely to reduce employment in the industry rather than create more jobs.
3. Residential telephone users will pay more for less.
4. A privatised industry will minimise its commitment to 'social service' obligations and may eventually eliminate them.
5. It threatens a reduction of standards and of research and development.
6. Rural users will suffer, having to pay higher prices than urban users. Geographical discrimination may result in differences in choice of products and services, in quality of service, in provision times and in how long it takes to receive new technology.
7. Privatisation offers little but insecurity to BT's employees.
8. It risks crippling the telecommunications supply industry which is likely to decline under the heat of foreign competition. Thousands of jobs will be lost.
9. BT is already very efficient, and any further improvements are more likely to be achieved within a publicly owned BT.
10. Competitive freedom for a privatised BT means freedom to exploit and extend its monopoly position, i.e. a public monopoly is replaced by a private one.
11. Shareholders would have little control over a privatised BT.
12. The sheer size of the share issue (about £5 billion) will require the Government to offer shares on attractive terms to the investor — which will dilute the benefit to the taxpayer.
13. The sale threatens to disrupt the money markets and may increase short-term interest rates and 'crowd out' other borrowers.
14. The share issue would be plagued by problems with pensions liabilities (a pension fund deficiency of £1,250m in 1978 is being funded by BT over 14 years).
15. Greater borrowing freedom could be given to BT within the public sector. A privatised BT will have to pay more to borrow for capital investment.

Copies of the report 'What Future for British Telecom' from STE, 102-104 Sheen Road, Richmond upon Thames, Surrey TW9. Tel: 01-948 5423.

More News

PRIVATE MINI-BUS THREAT

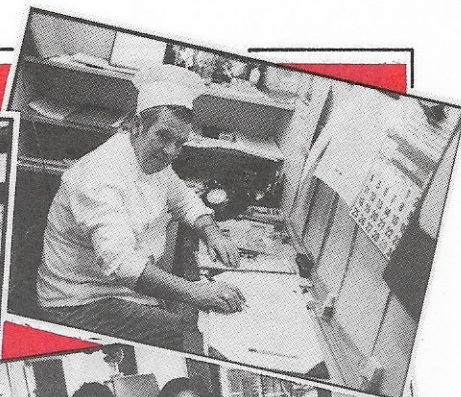
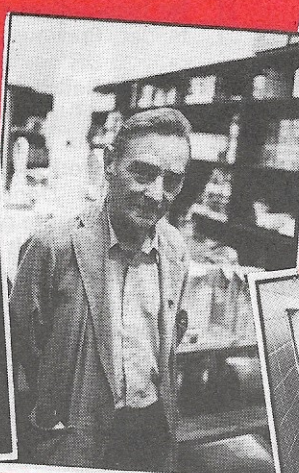
The threat of 500 private mini-buses competing with London Transport buses on the streets of London remains (see PSA No. 3). Tom King, Transport Secretary, has given the go-ahead for an appeal by Associated Minibus Operators against the decision of an independent inspector, appointed by London Transport, to reject the application. A new public inquiry will be held at Central Hall, Westminster starting on 26 October before a Department of Transport inspector. If this scheme gets approval it is likely to open the floodgates to similar applications in other cities. Labour movement organisations are urged to attend the inquiry and ensure strong trade union and local authority opposition to the appeal.

AIRPORTS FOR SALE

The British Airports Authority (BAA) recently completed a report on how it could be privatised. BAA runs Heathrow, Gatwick, Stansted, Prestwick, Glasgow, Edinburgh and Aberdeen airports and has been profitable for 17 years although pre-tax profits dropped 21% to £30.2m in 1982/3. The profit comes entirely from duty-free shops, car parks and other commercial operations with Heathrow providing the bulk (£47.7m). Airport operations incur heavy losses. The authority is opposed to living-off individual airports and would prefer a sale of shares. Legislation will be needed to permit any form of privatisation. Sid Weighell, former general secretary of the NUR is a member of the BAA boards of directors.

PUBLIC MONEY — PRIVATE GREED

The British Airways board led by privatisation fanatic Lord King is understood to be pressing the government to write-off its £1 billion debt. The directors want to turn this publicly invested money into a gift to a new private company to precede the sale of BA shares on the Stock Exchange. American stock-brokers foresee an increase in world airline profits and the BA board are evidently demanding a 1984 share sale. But despite BA's increased profits — £174m to March 1983, the £1 billion debt, pension commitments and possible legal claims over the Laker Airways crash put a big cloud over the possibility of speculative profits.



Philip Wolmuth

ANCILLARY STAFFS

NHS rates of pay
Bonus payments
Shift, weekend, night
and overtime payments
Holiday pay
Sickness pay
Pension scheme
Grievance procedures
Health and safety

PRIVATE CONTRACTORS

Rates of pay, benefits (if any),
work rates and conditions decided
by individual contractors.

BLOOD MONEY

32,500 pints of donated blood were given to private hospitals last year at a cost to the NHS of nearly £3m. Private hospitals are charging private patients up to £40 a pint thus making about £1.3m out of something they get for nothing. But this only covers blood from the Blood Transfusion Service — it doesn't cover blood given to private patients in NHS hospitals nor blood given by NHS hospitals to private hospitals.

CHARITY TRAINING

4000 nurses working for the Oxfordshire Health Authority are being asked to pay 50p a month towards their training. A trust fund has been set up to collect the voluntary contributions.

COMMERCIAL HOSPITAL

The DHSS is discussing handing over a 500-bed NHS hospital to a commercial management company for a six-month trial to see how it could cut costs. The company, International Hospital Group with a £50m annual turnover, manages hospitals in the Middle East and Malaysia. The pilot project is expected to cost over £300,000 and cover staffing, purchasing and general management of the hospital.

NHS FOR SALE

A massive extension of private contractors into the NHS, big wage cuts for hospital ancillary workers already poorly paid, and a further erosion of quality health care — that is the result of DHSS Circular HC(83)18 issued in September 1983. It calls in all health authorities to:

- test the 'cost effectiveness' of their domestic, catering and laundry services by putting them out to tender (including in-house tenders). Unless there are 'compelling reasons' the lowest tender has to be accepted. Tenders must be invited when a hospital is planning to spend £500,000 or more on improving or building a new laundry. When hospital kitchens require refurbishment and/or new equipment authorities are expected to invite tenders from contract catering firms. They are not to 'overlook the possibility' of contractors undertaking ward orderly or housekeeping duties.

- develop the use of contractors 'for the whole range of support services'. From 1 September the government will refund VAT paid by contractors not only on domestic, catering and laundry contracts but also for these other support services including security, training, maintenance,

repairs, transport, data preparation and processing, portering and messenger services, storage and distribution, pest control, waste disposal, typing, printing and reprographics, and telephonist services. Further circulars covering these services seem likely.

- District Health Authorities have to submit an implementation programme by the end of February 1984. Two months later the regional authority has to submit a summary of these programmes to the DHSS.

The Circular says absolutely nothing about wages and conditions, leaving contractors to undercut NHS pay rates, benefits and conditions. It is left up to each authority to assess the ability and financial soundness of contractors. Contractors will not have to provide performance bonds to the health authorities guaranteeing their work.

CONTRACTORS IN

- North Warwickshire District Health Authority has given Initial Services a contract to supply laundry services to five hospitals.

- Three health authorities in Scotland — Grampian, Fife and Ayrshire and Arran who want to build new hospital laundries or improve an existing laundry have been told to investigate contracting out before proceeding any further.

- ISS Hospital Services Ltd has won a domestic services contract at Beckenham Maternity Hospital (Bromley Health Authority). 15 out of 19 domestics were made redundant or took early retirement.

- Medway Health Authority's management contract (providing supervisors only) with Crothall and Co ends in March 1984. The authority is the first in the country to seek tenders to take over its

entire domestic services involving 300 workers. Five companies have tendered — a decision is expected in November — Exclusive Health Care Services Ltd (a new company in the Bregreen Group), Crothalls, Home Counties Hospital Co Ltd, ISS Hospital Services Ltd and Reckitts Cleaning Services Ltd (part of the giant Reckitt and Colman group). An in-house tender has also been submitted but the unions have refused to have anything to do with it.

- The cleaning of the new Clarendon section of Leeds General Infirmary will be done by Hospital Hygiene Services Ltd when it opens in October. The £171,000 contract has led to 97 redundancies following the closure of two smaller hospitals which the new section replaced. To date only eleven workers have been offered jobs by the firm.

● North West Surrey Health Authority have given a £600,000 three year laundry contract covering 13 hospitals to Initial Services.

LAUNDRY CAMPAIGNS

Newcastle upon Tyne District Health Authority plans to make savings of £100,000 by using NHS laundry services for the 800 bed Freeman Hospital when its contract with a private firm runs out next May. This would be a major contribution to a government-ordered spending cut of £1m, but may fail because of another government order for manpower cuts.

The neighbouring health authority, Darlington, plans to tender for the contract. They have already gained contracts at two North Yorkshire hospitals from the same private contractors, and it is reported that their service is not only cheaper but also to a much higher standard and laundry is returned on time. The problem is that new Government manpower targets would be breached by the creation of 15 or 16 new jobs if Darlington won the Newcastle contract. NUPE officials are bitter about the wasted opportunity for new jobs, particularly as they would be paid for by Newcastle and would cost Darlington nothing.

Support for the Darlington plan is being sought locally from Trades Councils and nationally from other health authorities who are facing the same kind of Catch 22 situation.

In Calderdale the fight against privatisation continues, with the rejection by Health Minister, Clarke of a new plan for a joint NHS laundry in Calderdale and Dewsbury HAs, although it would cost £250,000 less per year than the lowest private bid. Calderdale has no local laundry firm to provide the service and will face the additional expense of £177,000 in redundancy payments and new facilities to assist a private contractor. Now the Health Authority is on

NHS LAUNDRY GOES PUBLIC

For many years, laundry for the Southmead Hospital, Bristol, has been undertaken by outside contractors (Southmead Laundry Ltd. Now the NHS laundry at Brentry Hospital, Bristol will do the work for 11p per piece compared to the contractor's price of 17p. Staffing levels have been increased and the NHS has saved £40,000 per year.

High Costs of Private Hospitals

A study of 149 non-profit and 131 commercial hospitals in California has shown that operating-expenses per patient/day are 6% higher in voluntary and public hospitals. The study, conducted by the Western Center for Health Planning, reveals that the commercial hospitals excel at maximising payments from the health insurance companies. The total charges per patient were 24% higher in the commercial hospitals.

BUILDERS CONTROL

The private construction industry looks like scoring another victory with the reintroduction of the Housing and Building Control Bill. For years the industry has been pressing government for greater freedom for its operations aiming for 'minimum state intervention', 'maximum self-policing' and 'simplification' of the Building Regulations.

The Building Regulations lay down standards for construction methods and materials, space and ceiling height, ventilation, light, water supply, sanitation, heating, insulation, etc. They are currently enforced by the Building Control officers of district councils and by District Surveyors in Inner London. Plans for all building work except small routine repairs have to be submitted to the local authority for approval and officers also inspect work in progress.

Part II of this Bill takes control of building standards out of the hands of councils and gives it to the builders themselves. It allows developers and builders to employ their own 'approved' inspectors to approve plans and work. It is not clear in the Bill who will 'approve' the private inspectors, but it is thought likely to be the National House Building Council, which is the private sector's own organisation. 'Self-certification' will be introduced for certain (as yet unspecified) public bodies. Local authorities will be unable to intervene unless something goes wrong such as a private inspector leaving an unfinished project, and then the council is compelled to pick up the pieces.

If this Bill goes through some 4000 building control officers face redundancy, together with their support staffs. NALGO has mounted a major campaign against the proposals, with leaflets for public distribution explaining why the issue is important and with amendments to the Bill prepared for the



resumed Committee Stage next month.

NALGO, supported by the TUC, AMA, Institution of Environmental Health Officers, the Federation of Master Builders and a host of other organisations, is concerned not only about redundancies but about the grave implications of the proposals for future building in this country. They predict that the end of independent publicly accountable building control will lead to lower health and safety standards in construction and a new era of shoddy and dangerous building. This concern is reinforced by the fact that one third of all applications submitted to local authorities for approval contains some contravention of the Regulations — which they see as an indication of the low regard for the Regulations in the private sector. They cite the case of the Summerland fire disaster as an example of what can happen when Regulations are waived, and the case of Ronan Point, which led to public sector housing plans being made subject to Regulations approval.

To complete the picture, the Bill will allow the Minister to make changes in the Regulations, based on consultations with interested parties. After two rounds of consultation, proposed changes include such massive reductions in standards that the Institution of Environmental Health Officers say it will again be possible to build 'the sort of houses built in the heyday of the industrial revolution'.

NALGO ACTION

Over 300 delegates from more than 100 NALGO branches attended a Broad Left conference on Privatisation organised by Leeds NALGO on September 17/18. A series of workshops examined case studies of authorities contracting out services. There were also service group and district delegate meetings. Ideas and demands included: solidarity action in support of other services; selective action by trade groups in a number of authorities; pressing authorities to prepare inventories of contractors to

campaign to revert the work to the public sector.

NALGO District and National Committees were called upon to develop a strategy to fight privatisation and actively encourage and support industrial action at district and national level. The conference discussed the need to go onto the offensive, and to form working alliances with community and user groups. Further details from Leeds NALGO, 111 Portland Crescent, Leeds LS1. Tel. 0532-458442.

Contractors & Consultants

WHO OWNS WHOM

DANISH MULTINATIONAL WINS SCHOOL AND HOSPITAL CONTRACTS

ISS Servisystem Ltd has recently won contracts to clean 50 schools in Birmingham (see PSA No 3) and two high schools in Norfolk. ISS Hospital Service Ltd (an associate company of ISS Servisystem) has just won a domestic services contract at Beckenham Maternity Hospital and is bidding for similar work with the Medway Health Authority. ISS Servisystem is a subsidiary of a Danish multinational ISS-International Services System AS.

ISS companies concentrate on cleaning and maintenance, security and alarm services, catering and canteen management, laundry work, energy control and management training. It has subsidiaries in most European countries, Brazil, USA and Greece. Most of the companies have the ISS prefix in their title. The group employs over 48,000 people.

Turnover has increased from £86m in 1974 to £292m last year. Pre-tax profits were £2.8m in 1974, rose to over five million pounds in the late 1970's but dropped back to £3.3m in 1982.

The ISS energy control business produces Clorius Meters — well known to many tenants organisations in Britain. These heat 'meters' are used in block and district heating schemes but have a bad reputation for being inaccurate. A National Heat Metering Campaign was set up in 1976 to fight Clorius and similar devices. See *Community Action* magazines Nos 23, 26, 27, 29, 30, 31, 37, 38, 40, 46, 56 and 58

CLEAN NEIGHBOURS

Hospital Hygiene Services Ltd is one of a group of companies based at CCA House, Bingley Road, Shipley. The three directors and shareholders are Richard Holdsworth, Lesley Holdsworth and Maurice Noel who lives next door to the Holdsworths in Harrogate. The firm had a turnover of £230,157 in 1981-82 with £16,123 profit. However it is only one of several companies based at CCA House with Richard Holdsworth as a director. The others are CCA (Office and Factory) Cleaners Ltd, Gemini Cleaning Supplies Ltd, CCA International Ltd, Consolidated Cleaning Associates Ltd, Care Security Services Ltd and Care Services Group Ltd.

Gemini had a turnover of £479,265 in 1981-82 with a net profit of £34,660. Richard Holdsworth owns the vast majority of shares in all these companies. The group has won 14 hospital contracts in the last two years. It is estimated that group profits of £200,000 will be achieved this year. (Thanks to *Leeds Other Paper*)

FAMILY AFFAIR

Office Cleaning Services Ltd recently took over school cleaning in Dudley. It is a subsidiary of the OCS Group Ltd, a private company in which the Goodliffe family own and control the bulk of the shares.

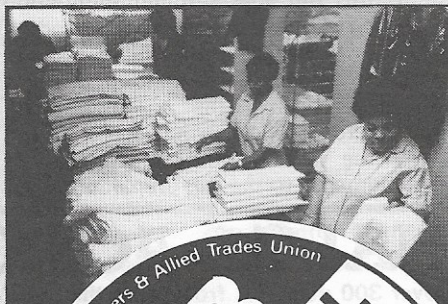
The Group's main activities are office and factory cleaning, contract laundering, building and decorating. Over fifty subsidiaries include Factory Cleaners Ltd (which has also been bidding for public sector work), New Century Cleaning Co Ltd and Smarts Laundries Group Ltd. It also has companies operating in Portugal, Holland, Spain and Canada.

Between 1978 and 1982 turnover nearly doubled to £76.4m with £5.5m pre-tax profits. Office cleaning and security services contributed 60% of the turnover and profits. Laundering, building and decorating, and garaging each contributed £8m in turnover.

Five out of the eleven directors are members of the Goodliffe family including the Chairperson, Managing Director and the Company Secretary. These five directors and their families own 25% of the voting shares and are trustees for another 50% of these shares. They also own or are trustees for nearly 70% of the 'B' shares (non-voting). The average pay of the directors in 1982 was £25,181 in contract to the £1814 paid to OCS's 22,000 employees. The Goodliffe directors would also have benefited from the £606,000 paid out in share dividends.

INITIAL EXPANDS

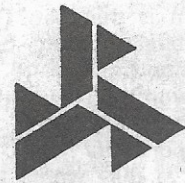
Initial PLC, the cleaning and laundry group, is extending its operations into servicing gas and water mains. It has bought Descaling Contractors of Sheffield most of whose £2.5m turnover comes from local authority contracts.



CROTHALL DUMPS PRITCHARD

Graeme Crothall, a director of Pritchard Services Group and its Crothall hospital services subsidiaries in Britain and overseas, has resigned and joined the rival Hawley Group. He will develop its British and American hospital cleaning activities following Hawley takeovers of cleaning companies in both countries.

Michael Ashcroft's fast growing Hawley Group had 21% of Pritchards shares a few years ago and was tipped to make a takeover bid. However he sold the shares making £5.3m profit.



Graeme Crothall, claimed to be a hospital cleaning expert, has obtained a 2.4% stake in Hawley acquiring 1.23m shares for £657,000 in cash plus giving Hawley an option to purchase his 984,000 Pritchard shares (a 1.2% stake) after 1st January, 1984. So the Hawley Group will again have a stake in Pritchards. In the first half of 1982 Hawley's turnover and pre-tax profits trebled to £51.4m and £5.1m — profits for the full year are expected to be about £13m.

US expansion

Meanwhile the Hawley Group has been buying up cleaning and security companies in Britain and America with a vengeance.

It has bought Oxford Cleaning Services, one of America's top industrial cleaning companies for £9.1m and acquired 40% stake in Security Corporation of America (SCOA) for £21.6m. SCOA is a New York-based holding company for the National Cleaning Group and the Holmes Protection Group of companies. Hawley is well on the way to becoming the largest company in the US industrial cleaning sector.

Hawley has also just bought 72% of a Canadian company Midepsa, a former Chilean mining group but now a shell company. It seems that Hawley intends to build this company into a new industrial and hospital cleaning business in Canada.

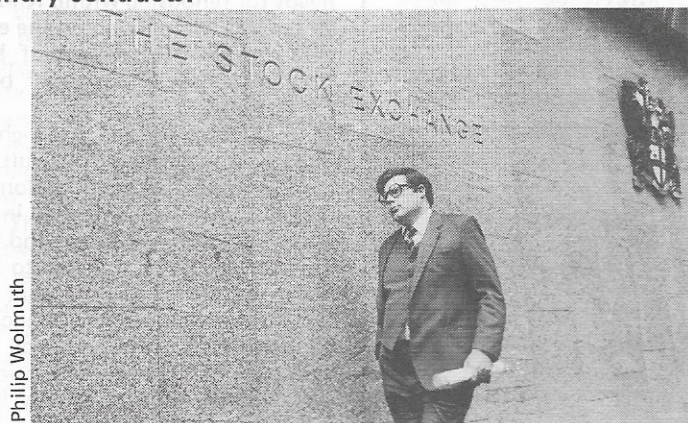
In Britain a Hawley subsidiary, Provincial Cleaning Services, has recently acquired Derwent Cleaning and Maintenance (Kent) which had a £2.3m turnover last year.

Contractors & Consultants

CLEANING FIRMS

TAKEOVERS.

Several of Britain's largest cleaning companies are waging a dog fight to build up their resources in order to grab a large slice of NHS cleaning and laundry contracts.



On 3 August 1983 Spring Grove PLC, the linen hire and laundry company with £24m turnover, (it has a £½m towel contract with Essex County Council) announced that discussions were taking place about a possible takeover. Last year Spring Grove succeeded in a £7.6m takeover of the St George's Laundry Group. However Spring Grove profits collapsed from £1.29m to just £59,000 for the six months to April this year. They discovered £800,000 losses and write-offs in St George's and poor management.

In the middle of August, Sunlight Services Group denied they were involved in a takeover. Then on 23 August Pritchard Services Group announced a £16m bid for Spring Grove. The offer was accepted by the Charterhouse Group which owns 36% of the Spring Grove shares. Pritchards want to strengthen their grip on hospital contracts (through their Crothalls subsidiary).

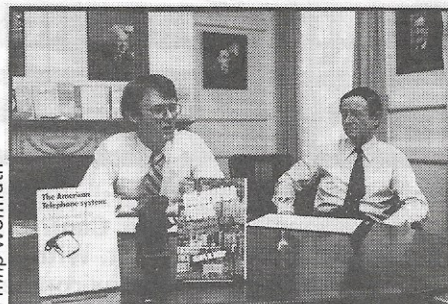
A few days later Sunlight made a counter bid for Spring Grove offering £1.3m more than Pritchards. A short while later Brengreen Holdings (Exclusive Cleaning) made a £33.4m takeover bid for Sunlight. Brengreen has just set up Exclusive Hospital Services Ltd but has no experience in linen and laundry work hence its bid for Sunlight which is Britain's largest contract launderer. Sunlight will resist the takeover. 'Brengreen may need us, but we do not need them' said John Ivey, Sunlight's chief executive. Brengreen's bid for Sunlight is conditional on Sunlight withdrawing its bid for Spring Grove.

A Sunlight Service Group subsidiary, Pall Mall Cleaning Group Ltd, recently won a £1m contract from Cambridgeshire County Council to clear schools in the Peterborough and Huntingdon areas. Sunlight's turnover in 1982 was £35.8m (larger than Brengreen's) with £2.8m pre-tax profits.

The rival bids seem likely to be referred to the Monopolies and Mergers Commission. Last year the Commission blocked bids by Sunlight Services Group and Initial Services for Johnson Group Cleaners.

Waiting in the wings is Electrolux, the Swedish manufacturer of household appliances, which is keen to enter the British cleaning market. Spring Grove was discussing selling some of its subsidiaries to Electrolux before the bid from Pritchards. The *Investors Chronicle* claims that Electrolux may now make a bid for Spring Grove. This dog eat dog story will be continued in the next issue.

Philip Wolmuth



RIGHT WING ONSLAUGHT

Dr Stuart Butler, Head of Domestic Policy at the right wing US-based Heritage Foundation speaking at a recent meeting of the Adam Smith Club in London. Author of *Enterprise Zones: Greenlining the Inner Cities* (and that's not with grass!) and *The American Telephone System: A Blueprint for De-nationalisation*, Butler was speaking on 'Can Freedom Revitalise Our Cities'.

Talking of which, it is interesting to note that privatisation fanatics Christopher Chope, ex-leader Wandsworth Council, now MP for Stirling, and Michael Forsyth, ex-Westminster councillor, consultant to Pritchard Services and now MP for Southampton Itchen, are both members of the notoriously right wing Freedom Association.

Both are also heavily involved with the Adam Smith Institute's Omega Project. Twenty working parties were set up to examine how privatisation can be extended throughout the public services. A 1000-page report is due out in October and is expected to be a catalogue of extreme measures including selling more public assets, extensive use of contractors, introduction of charges for services and widespread use of volunteers in public services.

CONTROLLING CONTRACTORS

Contractors often use Direct Labour Organisations (DLOs) premises and facilities without payment thus reducing their costs and lowering tender prices but often increasing DLO overheads.

Shop stewards in the Berkshire Council Stewards Highways DLO and the Works Committee earlier this year produced a list of examples where contractors were exploiting council resources. They argued that the contractors screamed for 'fair competition' and against high rates yet attempted to use council facilities for nothing. The examples included:

- free storage and parking facilities
- parking of contractors residential caravans in depots
- the use of council owned but DLO maintained facilities — toilets, water supply, lighting, telephone etc.
- materials from the stores issued at cost with the DLO carrying all the stores overheads
- costly emergency call out to deal with contractor failings — sites in

dangerous condition, lighting, signs etc.

- DLO receiving instructions to clear sites on contractors completion
- different safety responsibilities and practices between DLO and contractors
- use of DLO plant by contractors because it is more convenient
- instructions given to the DLO to carry out work refused by contractors because it is 'awkward' and therefore not profitable.

Negotiations with the County Surveyor produced an agreement that contractors will as a general rule not be allowed to use depot facilities or plant and equipment. When they are allowed to, they will be fully charged. Stores will in future have to be obtained from private sources. Emergency callouts to deal with contractors failings will be fully charged and the possibility of incorporating penalty charges will be examined. The Surveyor is to increase attention on safety conditions and improve checks before issuing contractors with certificates of completion.

Council housing ESTATES SOLD

In April this year, Knowsley District Council sold 3200 houses, flats and maisonettes on the Cantril Farm estate to a private company, Stockbridge Village Trust. With the support of Knowsley Council and the Department of the Environment, the company intends to pioneer a programme of social engineering and physical improvement aimed at securing a massive extension of home ownership within the area. The launching of this scheme emphasises the government's blind pursuit of privatisation at any cost... but more than that, Stockbridge Village experience could represent the Tories 'final solution' for council housing.



The background

Cantril Farm is an overspill estate built on the outskirts of Liverpool in the late 1960s. It consists of about 40% two storey houses, 40% flats and 20% four storey maisonettes. The estate suffers from a combination of poor design, a high proportion of unpopular maisonettes and high rise flats; inadequate shopping, community and leisure facilities, and a past record of poor maintenance and repair; and high unemployment. It is not an area where the right to buy has produced widespread sales.

Because of financial constraints, Knowsley Council have been helpless in dealing with the problems posed by the estate and it was therefore 'ripe pickings' for the kind of solution proposed by central government.

The 'solution'

The entire Cantril Farm estate would be sold off to the Stockbridge Village Trust for a total sum of £7¼m, the capital to purchase the estate coming from a mortgage arranged by Abbey National Building Society, Barclays Bank and Knowsley Council. The debt charges still owing to Knowsley's housing revenue account would be wiped out by the DOE.

After purchasing the estate, the Trust would embark upon a programme of refurbishment to include:

- the demolition of 658 maisonettes and flats

- the development of 21 acres of single 'underused' public open space for 320 houses for sale
- the redevelopment of cleared sites for houses for sale
- the refurbishment of areas containing 1324 two storey houses
- the disposal of three tower blocks (510 flats) for improvement for sale.

The whole scheme would be financed by a combination of grants administered by the DOE (Urban Programme; Derelict Land Grant, etc) and sales (sales to sitting tenants under the right-to-buy and sale of publicly owned land and property for private development).

Tenants accept

In a series of public consultations held in November 1982, this package was presented to local tenants, it was widely accepted amid promises that:

- anyone wishing to stay on the estate would be able to do so
- jobs created by the refurbishment works would go to local people.

The reality

Since the Trust took over in April, their promises to tenants have been looking thin.

In the maisonettes and flats, tenants are being placed under increasing pressure to move off the estate and to be rehoused under an arrangement with Knowsley Council. This fits very closely with the Trusts declared intent to change the 'social mix' within the area.

The jobs picture is equally bleak.

When work began, a small number of the total workforce were taken on from the estate. However, Barratts, the main contractor, is backing off from its original promises. Already they have sacked seven people and are increasing their use of sub-contractors and lump labour.

Other problems have also started to emerge:

- tenants being rehoused from Cantril Farm are being given priority over other needs for rehousing within Knowsley;
- tenants who remain on the estate will cease to be the concern of Knowsley Council and will no longer be eligible for transfers;
- as building-for-sale and right-to-buys increase it will become difficult to obtain local rented accommodation. People will be forced to buy to stay in the area;
- people on low incomes and the social security are being induced to buy their home, regardless of the future problems this may create on them financially;
- many of the houses which are being sold have been poorly maintained or are system-built. Purchasers may find these a liability if they attempt to resell in the future;
- building work on the site is being carried out by Barratts in a cavalier fashion. Refurbishment areas have become open building sites. Work to remove asbestos panels are being carried out without regard for safety of workers or local residents.

As work proceeds, more and more tenants are beginning to wake up to the potential problems. For them the most difficult problem lies in the undemocratic nature of the Trust itself.

Regardless of the difficulties they have had with Knowsley Council, at least with them there was some hope of a democratic solution to meet the needs of all tenants. Further information: contact Cantril Farm Combined Tenants Association, St Clements School, Boodecroft, Cantril Farm, Knowsley, Merseyside (051-480 3737).



Barratt timber framed houses in Knowsley.

OLDHAM

Over 30 families on the Strinesdale council estate in Oldham are to become tenants of a private landlord. Labour controlled Oldham council have agreed to sell the entire estate, comprising 147 semi-detached and terrace houses on the edge of the Pennines, to the William Irwin Group, a Leeds-based construction and property company. The sale went through the council meeting in August

'without a murmur'.

The firm bought the estate through Suttons, a Manchester firm of estate agents, for only £406,000 and plans to spend £1.5m improving the houses, landscaping and altering the road layout. They will then be sold for between £16,500 and £18,500. Assuming an average sale price of £17,500, income from sales of 137 houses (ten already bought by tenants through the right to buy) will be £2.4m compared to £1.9m spent on purchase and improvement — a cool £500,000 profit!

Irwin's Managing Director, Kenneth Duxbury, admitted to PSA that they have 'not been involved in housing before this'. He thought the council had sold the estate because 'there are more houses than people in Oldham' (in fact the council housing waiting list currently stands at 4,500) and that the council 'got rid of an obligation and got paid for it'. Asked about the fate of the tenants he said the firm 'had put together a specialist team to deal with them'. Tenants' homes will be improved to the same standard as the ones for sale and they will be encouraged to buy. Since the firm bought the estate as an investment they will want to sell all the houses as quickly as possible or charge tenants rents way above those charged by the council.

TOWER HAMLETS

It seems that the Labour controlled borough of Tower Hamlets in London may soon have its own Stockbridge Village. A DOE feasibility study carried out earlier this year centres on the redevelopment of the Devons Road Goods Yard site in Poplar (GLC owned and currently zoned for industrial use) with a 'Build for Sale' scheme for 300 dwellings. Apparently Heseltine visited the area as Environment Minister and expressed concern that such a scheme might be 'blighted' by nearby run-down council housing. So the DOE has produced a plan to create a trust — comprising private financiers and developers and DOE nominees — to take over ownership of the Goods Yard site (to be rezoned for housing) and 848 council dwellings in Teviot Street, all of which

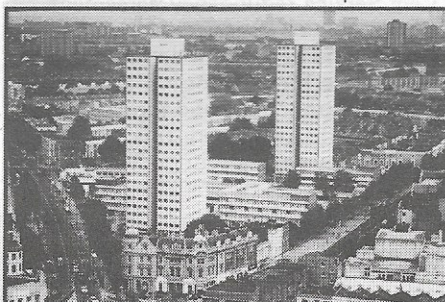
are post-war and over half built in the 1970s.

The plan includes private renovation of four 1950s council blocks for subsequent sale. Hillary House, which so offended Heseltine, faces possible demolition. The Goods Yard site will have 300 low-cost dwellings for sale, co-ownership and Housing Associations, divided more or less equally into one, two and three bedroom units.

Nothing is said about the fate of the present tenants of Teviot Street except that they will be 'encouraged' to buy their homes. In an area of high unemployment and low wages where many people are weighed down by rent arrears, such encouragement may not be well received. Indeed, the tenants have already organised into an Action Group following a packed meeting organised by the local Labour Party which council officers failed to attend. They are challenging the Council to come clean about their plans for the area and planning to resist the Trust package.

MORE SALES

Philip Wolmuth



● Westminster council have refused to deny rumours that they intend to sell the asbestos riddled Elgin Estate to a major housebuilding firm. There is asbestos in bridging panels, partitions, heating ducts, cupboards, landings and lift lobbies. An action committee has been set up to fight for the total removal of the asbestos and to oppose the sale of homes.

● Five blocks of Cumbernauld Development Corporation flats are to be improved and sold on the open market. Initially tenants in two blocks will be rehoused and will not be given the option of returning. The Corporation will improve one block and are negotiating with Wimpey's to buy the other. All the flats will then be sold.

DIRECT FIRE!

NUPE has at last broken through on its four year campaign to introduce direct labour cleaning in London's Fire Stations. None of the 114 fire stations were cleaned by direct labour, but following negotiations with the GLC it has been shown that direct labour can compete effectively in cost terms, and certainly in terms of efficiency.

It is proposed that a one-year experiment will take place in 'A' Division — Westminster where 13 jobs will be created, with the likelihood of another three jobs to come. When this is shown

to be effective it is envisaged that the other ten divisions will transfer making 176 new jobs. Contractors currently charge £38,000 p.a. for cleaning ten stations and the direct labour costings are comparable including the cost of a vehicle and material costs. In addition eight cleaning jobs have been created by converting the remaining office cleaning in the Headquarters and Divisional Headquarters to directly employed staff. Further details from Mark Saunders, NUPE, Civic House, Aberdeen Terrace, London SE3.

More News

RIGHT TO RENT

The Government Think Tank may be dead... but its ideas live on. It is rumoured that civil servants in the DOE are currently working on a scheme whereby council tenants' weekly payments will no longer be rent payments, but mortgage payments — unless they choose to contract out and remain tenants. It seems that the next tenants' struggle may be for the right NOT to buy.

PRIVATE ROAD

Tarmac's scheme for a 7 mile privately-funded motorway between Wolverhampton and the M6 has been approved by the Labour controlled West Midlands County Council (see PSA No. 3). The scheme has been submitted to the Department of Transport for approval. A decision is expected in the autumn. The scheme runs directly counter to TUC policy (they estimate the long term cost of private finance is 70% higher), Labour Party policy, and the government's statements that private finance is not to be used to generate extra work but replace existing funding (the proposed road is not in any road programme).

WARSHIP YARDS SALE

The Government is pressing ahead with the privatisation of British Shipbuilders' profitable warship yards. These yards made a £31.6m profit last year compared to overall BS losses of £117m particularly on shipbuilding and repairing activities. The yards seem likely to be offered back to the companies e.g. Vickers, Vosper and Yarrow, from which they were nationalised in 1976. The sale price will be hotly disputed — the companies are still haggling over the compensation they received in 1976. Some of the ship repair yards may also be sold off individually to other companies.

PRIVATISING THE EEC

A British group, the Association of Translation Companies (ATC), is trying to privatise the EEC's translation service. The EEC currently employs over 2000 translators with only 2% of the work handled by freelance translators. The ATC is making wild claims about saving 80% of the £250m budget. EEC staff argue that the quality of freelance work is substandard and often requires extensive revision. They also point out the waste involved in employing staff just to recruit and pay freelancers.

Civil Service GOVT. DEFEAT TESTING STATIONS

The Government has been forced to abandon the privatisation of the 91 Heavy Goods Vehicle Testing Stations.

How wrong can you be

In August 1980 Norman Fowler, then Transport Minister (now trying to privatise the NHS) announced plans to hive off the Testing Stations. *'I believe that there is no case for retaining vehicle testing in the public sector, and employing a large number of civil servants, when the private sector can provide a more flexible and efficient service without any lowering of safety standards.'* These typically wild claims have been proved totally wrong.

The original plan was to have competing chains of testing stations around the country. Even the haulage companies balked at this, fearing that their competitors might refuse them licences, the possible closure of more remote stations and reducing safety standards. Then a House of Commons Select

Committee recommended that one organisation should takeover all the stations which currently make a £1m annual surplus.

Lloyds Register opened negotiations but after long talks the government has had to admit that it would have cost £3.5m to set up the new authority plus up to £12m in redundancy and pension costs for the 1050 employees.

Government wastes public money

The DOE has agreed to reimburse Lloyds £500,000 it spent on computer and management consultants. Lloyds initially refused to recognise the two unions concerned, TGWU and AUEW. Then the Treasury tried to undercut the Civil Service redundancy agreement. On three occasions the DOE threatened to go over the heads of the unions directly to the workforce. The unions and the members stood firm and the government backed off. They were finally defeated by their own crazy economics.

COMPANIES HOUSE



Uncertainty still hangs over the future of the Companies Registration Offices in London, Edinburgh and Cardiff, where companies are obliged by law to file their accounts and returns to which the public has right of access. The threat of full-scale privatisation has been defeated by a combination of effective campaigning by the unions involved, the duties imposed on government by European and British company law, and the vocal opposition of firms of company agents to the idea that one of their number (probably Jordans) should acquire monopoly control of the information and the lion's share of the profits.

But the Government is committed to massive cuts in the number of civil servants — so now there is a new plan for the CRO to be hived off from the Department of Trade to an independent public corporation, under the control of a new, ministerially appointed quango. While a feasibility study is carried out to

determine how this can be done, there are continuing threats of 'backdoor' privatisation by contracting out some of the CRO's technical and administrative sections. (This is enthusiastically backed by the Institute of Directors.)

At present the CRO runs at a profit (from charges made to companies) and provides an efficient service to the public. The CRO Unions argue that the service needs improving: effective public access can only be provided by resuming the postal enquiry service and effective action against some 400,000 defaulting companies needs a change in the law to compel the Registrar to pursue defaulters. Both improvements require increased staffing — for which there is little hope in any of the options for the future currently being canvassed.

PUBLIC DESIGN CHEAPER

The use of private architects and consultants instead of the Property Services Agency (PSA) own teams, to design government buildings would cost the taxpayer £52m over the next four years. The Report on the Working Group on Design Costs, jointly commissioned by the Treasury and the PSA, was carried out by private sector accountants and surveyors and government officials. It was only recently published after being suppressed for ten months.

It reveals that the design work done by PSA in 1980-81 which cost £47.4m would have cost £66.6m if done by consultants. In the four years up to 1981 PSA design work cost £155.4m,

yet consultants would have charged £211.2m — 36% more.

For the last four years government policy has been to cut the number of PSA design staff from 2,500 to 1680. The Institution of Professional Civil Servants (IPCS) argues that *"The design costs study recognises that the size and multi-disciplinary nature of the PSA's design teams is a significant factor in in-house design being cheaper. Yet, the 1680 target will lead to smaller teams with an imbalance of design skills. In short, the rundown will deliberately reduce the efficiency of the in-house design teams."* More information from Linda Cohen, IPCS. Tel 01-930 9755.



This new advert includes the following statement in the text: *"the steady increase in Healthcare expenditure is not affected by economic cycles; people's Healthcare needs do not change during a recession. The Healthcare sector has been described as the 'classic recession-proof investment'. Nowhere does the opportunity for intelligent investment appear more strongly based."*

EXPORT CREDIT

Next on the target list for privatisation may be the Export Credits Guarantee Department which insures British exporters against non-payment and underwrites their finance. With 1850 civil servants in London, Cardiff and nine regional offices, it is one of the largest agencies of its kind in the world insuring over 30% of all British exports.

The Government has appointed a three man committee of enquiry to study the importance of the ECGD to the exporting sector, its service to the 'interests of the taxpayer', and the possibility of 'devolving' any functions to, or 'collaborating' with the private sector. The make up of the committee is predictable, if unsubtle. Peter Leslie from Barclays Bank International, Peter Matthews from Vickers, Kenneth Bevins from Royal Insurance (one of the major 'rivals' to the ECGD). Their report is due early next year.

BRITISH GAS

SAVE IT

PIPELINE PROFITS

Final details of the forced sale of the British Gas Corporation (BGC) half share in the Wytch Farm oilfield to the Dorset Group (see PSA No 2) have yet to emerge. However it seems likely that BGC will receive £160m (£80m on purchase and another £80m later) compared to BGC's £450m valuation. **The government has decided to sell of the rest of the corporation's oil assets.**

A holding company, Enterprise Oil, has been set up to takeover BGC's six North Sea oilfields and stakes in 20 exploration blocks. Following BP's recent announcement of its £250m-£350m sale of certain North Sea oil interests it seems likely that the BGC sale will be through a sale of shares rather than selling directly to oil companies. A report by stockbrokers de Zoete & Bevan values these assets at £540m, but judging by the Wytch Farm sale, British Gas will be lucky to get half this amount. The sale of oil assets has highlighted the complex but highly profitable juggling by North Sea oil companies to reduce their petroleum tax liabilities. The asset stripping of British Gas of hundreds of millions of pounds dwarfs similar activities of industrial and manufacturing companies in recent years. Income from these sales does not benefit British Gas but goes to the Treasury.

The entire British Gas corporation may be privatised following the sale of British Telecom. BGC is the most profitable of the nationalised industries with £663m pre-tax profits in 1982-83 on turnover of £6 billion. Profits were in reality much higher because BGC paid £470m gas levy — a penalty imposed by the government to cream off profits. Government enforced price rises for domestic users have raised prices 60% over the last three years. BGC funded an £800m investment programme entirely out of its own resources and now has assets of £12 billion.

The government has already broken the corporation's monopoly on the sale and distribution of gas allowing private companies to use BGC's pipelines.

More than 200 gas showrooms are threatened with closure. Five regions have so far announced closures with 43 showrooms identified including 22 in the South East, 12 in the North West. It now seems unlikely that the 900 gas showrooms will be sold off separately as previously planned. The closure of 'unprofitable' showrooms, the ending of cross subsidisation between retailing and other activities, the setting up of safety guarantees, and the ending of preferential deals between gas appliance manufacturers and BGC will cumulatively lead to the private sector gaining a larger slice of appliance sales, installation and repair work.

An efficiency study of BGC just completed by consultants Deloitte, Haskins and Sells costing £250,000 has revealed 2700 job losses over the next four years. With the threatened privatisation of all or parts of BGC this job loss is likely to be the tip of the iceberg.

TUC Action



The following is part of the main motion on privatisation passed at the TUC Congress in September. It was moved by the POEU, seconded by GMBATU and supported by the UCW, NUPE, CMA, NUM, TSSA, NUT, and COHSE.

Congress, therefore, instructs the General Council to introduce a coordinated campaign, including the coordination of industrial action organised by those unions directly affected, so as to maximise the impact any such action will have in defence of public sector services and industries, their respective unions and memberships.

The campaign would:

- encompass the work of the Public Services Committee, the Nationalised Industries Committee, and the industry committees;
- be established with the intention of remaining in existence at least until the next general election;
- act as the focal point for trade union opposition to attacks on the public services by providing help, guidance, information and expert analysis to affiliates;
- adopt an overall strategy based on the assumption that public opinion has to be re-educated and re-assured as to the benefits of public services rather than private profit;
- use as many means as possible to influence public opinion, drawing on the experience of the campaigning already done by the TUC and individual affiliates; and
- call on trade unionists to use their influence on local committees to campaign locally against specific proposals to privatise local government services.

Conferences

Northern Region TUC PRIVATISATION CONFERENCE

Saturday 29th October 1983. 9.30am to 4.30pm at Trade Union Studies Centre, College of Arts and Technology, Rye Hill, Newcastle upon Tyne.

National speakers; workshops on transport, Telecoms and Post Office, NHS, local government, civil service, nationalised industries and utilities; action plans. Further details from Bob Howard, NTUC, 31 Mosely Street, Newcastle upon Tyne NE1. Tel: 0632-616934.

THE FUTURE OF LONDON'S PUBLIC SERVICES — the threat of privatisation. Delegate Conference, Sunday 27 November. 10am-4pm at South Bank Poly, London Road, London SE1. Further details from Popular Planning Unit, Showroom, South Block, County Hall, London SE1. Tel: 01-633 7809.

COVENTRY PUBLIC SECTOR ALLIANCE INAUGURAL CONFERENCE 1 OCTOBER 1983

Unit 15, Arches Industrial Estate Spon End, Coventry. 10.30am-4.30pm

Information:

BOB MARRIOTT, Coventry 24055 (work) or 552662 (home) or WILL BARTON, Coventry 556489 (office hours).

COVENTRY TRADES COUNCIL, Flat 2, 6 Norfolk St, Coventry CV1 3BX.

PROTEST AND RALLY AGAINST DECLINING STANDARDS IN THE NHS

Monday 3rd October at 2.00pm at Sheffield Health Authority HQ, Westbrook House, Sharrowvale Road, Sheffield followed by a mass rally at Endcliffe Park, Hunters Bar. All trade union and community organisations invited. Further details from Ken Curran, NUPE, Blackgates House, Bradford Road, Tingley, Wakefield (Tel 0532-537654).

NATIONAL CONFERENCE ON RAILWAY ELECTRIFICATION AND JOBS to discuss how to campaign to improve the railways and stop privatisation and closures.

Monday 10th October 1983 at Sheffield Town Hall 11am-4pm. Organised by the Electrification Campaign Committee in Sheffield which includes CSEU, NUR, ASLEF, TSSA, GEC Traction joint shop stewards committee and Sheffield City Employment Department representatives. It is sponsored by the rail unions at national level together with a number of trades councils. There will be national speakers, workshops and the afternoon session on campaigning will include speakers from Horwich and Shildon railway workshops.

An information pack and a broadsheet are being produced for the conference. It is open to delegates and individuals from labour movement organisations. Details from Mick Paddon or Ray Hudson, Joint Secretaries of Electrification Campaign Committee, c/o Employment Department, Palatine Chambers, Pinstone Street, Sheffield S1 2HN. Tel 0742-755215 ext 227 or 230.

PUBLIC SERVICE ACTION

Information

PUBLIC JOBS FOR PRIVATE PROFIT: Fighting Contractors in Wandsworth. 90p inc post (bulk rates available) from Wandsworth Trade Union Publications, 95 Bedford Hill, London SW12. Written by Peter Ramage and Dave Simmonds NALGO, Mike French GMBATU, Dave Benlow NUPE and Dexter Whitfield SCAT, this pamphlet has three main parts – The Tories Privatisation Offensive, Lessons and Strategies, and The Wandsworth Story. It is a detailed and straightforward account of the successes and failures of the struggle against the privatisation of council services in Wandsworth since 1981. It analyses the different strategies which were used to try to combat contractors and draws out the lessons which are vitally relevant to all public sector workers and users. The photos, reproduction of leaflets and press cuttings help to chronicle this important campaign.



FIGHTING PRIVATISATION: The struggle for Wandsworth by Dave Benlow and Ian Scott. 90p from Institute for Workers Control, Bertrand Russell House, Gamble Street, Nottingham. This is a reprint of a chapter in a book called *Privatisation?* (see PSA No 2) which examines the privatisation of street cleansing and refuse in the borough. It draws out the lessons of the campaign and the tendering process arguing that if tendering can't be stopped, don't join it but wait until it is finished and then negotiate.

COMBINE NEWS: Paper of the National DLO Combine Committee. 10p plus post from 13 St Julien Gardens, High Howden, Wallsend, Tyne and Wear. A pilot issue with articles on the combine, health and safety and a common wages strategy for DLOs.

EXCESSIVE AND UNREASONABLE from NUPE, 18 Albany Street, Edinburgh EH1. This study examines the spending needs of Lothian Regional Council and shows how this will be hit hard by the government's attempts to cut the council's spending again.

WHO CARES? Campaign Bulletin of the Oxford Region NHS Joint Trade Union Committee. Free from Phil Fryer, ASTMS Office, 18 St Clements, Oxford OX4. Tel: 0865-244466. First issue covers the impact of £4m cuts by Oxford Regional Health Authority, and a District Briefing has reports from campaigns, eg. Reading Health Watch, Kettering Health District Defence Committee.

"PLEASE SIR, I WANT SOME MORE — FOR ALL THE CHILDREN OF CROYDON". 4-page leaflet issued by Croydon School Meals Action Group which is supported by GMBATU, NALGO, NUPE, NUT and Croydon Trades Council. Free from NUPE, Civil House, Aberdeen Terrace, London SE3. 40,000 copies of this leaflet, which argues the case against these options, have been distributed in and around schools, housing estates and workplaces in the borough.

THE CONTRACT CLEAN-UP. An Outline of Trends and Conditions in the Contract Cleaning Industry. Free from Economic Policy Group, Showroom, County Hall, London SE1. This GLC paper has useful information on wages and conditions in the cleaning industry in London and focuses on recent changes in the industry and attempts to organise cleaners.

PROFIT OUT OF HEALTH £1.00 from NALGO, 6th Floor, Trafalgar House, Paradise Circus, Queensway, Birmingham B1. The first part examines government policy towards the NHS — cuts, contractors and expansion of private medicine. The second part puts forward various ideas for taking action.

FANTASY...

Letter to Gloucester City Engineer from R. T. Cresswell, Technical Director, Exclusive Cleaning Services, dated 31 August 1983.

"There are two distinct types of approach which are being made to the market. The first, which includes amongst its protagonists at least two of the major companies, involves using inadequate numbers of people, paying the lowest possible rates of pay, giving poor conditions of service (eg no pension benefits), using old vehicles maintained to minimum standards, and generally keeping costs at an absolute rock-bottom level. The residents of the relevant authorities, (eg Wandsworth and Merton) will, I believe, confirm the problems which arise when decisions are taken to use such contractors."

However Exclusive "offer reasonable terms and conditions, to foster good staff relationships, and to give all-round high standards of service, with new, well-maintained, clean vehicles, keen and responsible workers and a philosophy based on giving genuine service to the community." (Exclusive's emphasis).

...OR FACT

Since Exclusive started their Milton Keynes refuse and street cleaning contract in April 1983, 63 former council workers have been sacked (see PSA No. 2). Only 8 of the 74 workers taken on by Exclusive remain.

Meanwhile the council's vice chair of the Cleansing and Highways Committee, Tory councillor Don Kearns, is now sales development manager for Brengreen Holdings, Exclusive's parent company. Further details: Tony Creek, NUPE office 0908-7400 or 0908-315842 (home).

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.

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