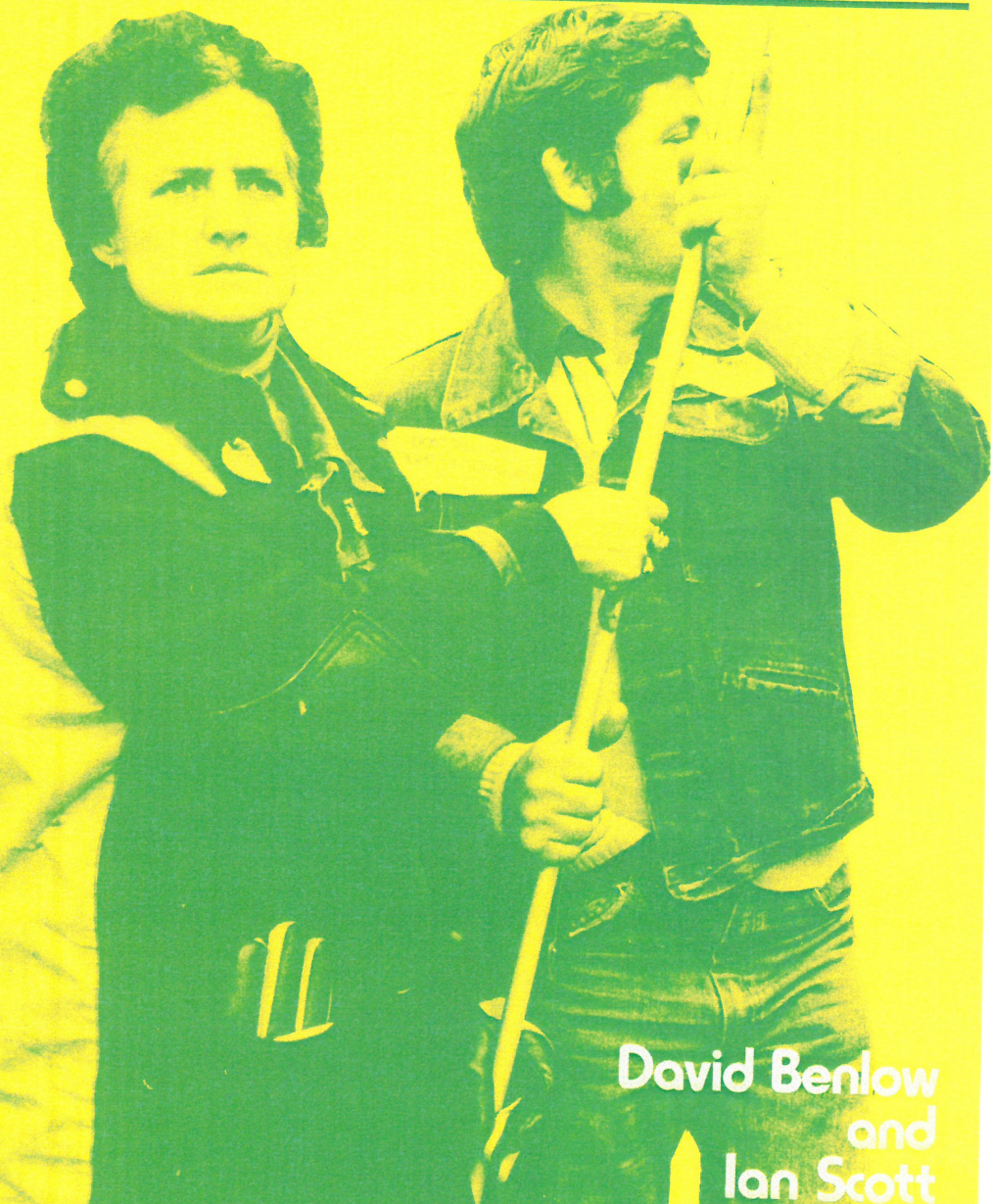


Fighting Privatisation:  
The Struggle for  
**Wandsworth**



David Benlow  
and  
Ian Scott

**Fighting Privatisation:  
The Struggle for  
Wandsworth**

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(NUPE Branch Secretary, Wandsworth District)

**Ian Scott**

(NUPE full-time official)

**A Joint NUPE/IWC Pamphlet**

*The Struggle for Wandsworth* is an updated section of *Privatisation?*, edited by Sue Hastings and Hugo Levie with a foreword by Rodney Bickerstaffe, and published by Spokesman at £3.75.

This important study gives a blow by blow account of the Tories extensive programme of privatisation and the responses that so far seem most successful. Contributing unions include COHSE, NALGO, NUPE, POEU, SCPS, TGWU and UCATT.

Copies of *Privatisation?* are available from bookshops, or direct from Spokesman at the address below (add 10 per cent p&p).

Cover photo Carlos Augusto (IFL).

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## THE FIGHT AGAINST PRIVATISATION

### Introduction

Like a number of other London Boroughs, Wandsworth's electorate chose to throw Labour out of office in the Council elections of 1978 and install what appeared to be a "moderate" Conservative administration pledged to keeping rates down, trimming "bureaucratic waste" and selling council houses. There was little inkling at that stage of the hard Thatcherite approach that would later characterise Wandsworth's ruling group, save a promise to the electorate that direct building works would be phased out during the life of the Council.

Although the return of a Tory Council was not the preferred result, the unions in the borough were not unduly worried. For many years all manual workers (other than building workers) had been united under the umbrella of a joint shop stewards' committee drawn from three unions: The National Union of Public Employees; The Transport and General Workers' Union; The General and Municipal Workers' Union. Unlike many other areas of London, there was a high level of co-operation and good relations between the unions. Building workers were represented through their own stewards committee of UCATT.

Among the manual unions there was a feeling of optimism that their organisation could effectively resist the new council should it decide to adopt a harsh approach towards the workforce. This confidence was put into practice during the winter of 1978-79, when selected sections of Wandsworth's workforce were on strike for seven weeks. The action centred on refuse collectors, fitters, boilermen and street sweepers, and it was felt that some valuable lessons had been learnt about the organisation of industrial action.

Within a year of the Tories assuming power in Wandsworth they had achieved power nationally in the election of May 1979 — clearly pledged, amongst other things, to cutting back public expenditure. Almost by way of preparation for this event, right-wing Tories on Wandsworth Council had organised a coup against the existing “moderate” leadership. The new leader, Christopher Chope, was to become an ideologue for the new Tory right, with Wandsworth as the testing ground for a wider-ranging attack on council services, jobs and working conditions.

In 1980 Michael Heseltine, the Minister of the Environment, announced the Government’s intentions of massively reducing expenditure in local government by both a reduction and change in the way the rate support grant was distributed, which would divert resources from the cities to rural areas.

By autumn 1980, with Wandsworth enthusiastically embracing the policy of cutbacks, there had been a reduction of over 1,000 jobs through the use of “natural wastage” and frozen posts. This had been contributed to by the closure of some old people’s homes, luncheon club facilities and other council establishments considered surplus to requirements.

### **The dust — privatisation stage one**

Knowing the enormous extent of the financial cutbacks they were planning to make, in late 1980 the council began to raise a new element in negotiations with its workforce — privatisation. For some time it had been attempting to introduce new working arrangements into the refuse section. The old bonus scheme was seen as being badly matched to the refuse requirements of the borough. There can be no doubt that events at Southend, where Exclusive Cleaning had made such a public issue of taking over the refuse collection service from direct labour, affected Wandsworth. However, at this stage, Wandsworth did not go as far as to seek private contractors. Rather, they made it clear in the negotiations that unless significant concessions were made, private contractors would be brought in.

They put a time limit on negotiations. Well in advance of that date the council circulated leaflets to all householders in the borough warning them to expect disruption of the service at the appointed date.

The pressure and the propaganda worked. The refuse service

accepted a reduction of nine vehicles and 39 jobs, saving the council over £400,000. The refuse section breathed a sigh of relief as the new agreement was implemented in January 1981. It seemed that the example of Southend was not to be applied to Wandsworth, and the refuse service would operate in the future under direct labour.

Those wishing to leave received enhanced severance payments — there was no shortage of volunteers. No one mentioned at that stage that there was no clause in the new agreement guaranteeing that, as a result of the negotiations, the service would stay “in-house”. It proved to be a significant omission.

### **More cuts**

In January 1981, having dealt with the refuse service, Chope announced further intended savings of £21m. He proposed an overall reduction of 300 manual and 400 white-collar posts, in combination with rate and rent increases. This announcement triggered the first signs of joint manual and white-collar workers co-operation in the borough. A combined “day of action” was organised and strongly supported by the membership. Rather than get involved in such a broad struggle at that stage, the council conceded a “no compulsory redundancy” agreement. It still insisted that the 700 jobs would have to go, either through voluntary severance or through re-deployment within the council. From the union’s point of view a positive aspect of this critical conflict had been the emergence of a liaison committee between NALGO and the manual unions. It was to prove a very important alliance in 1982.

### **The street-sweepers — one step further**

The council had tested the use of ‘privatisation’ as a threat and found it beneficial in their negotiations with the refuse section. Taking heart from that, the council turned its attention to the street-sweepers. Street-sweepers had been involved in protracted negotiations with the council about work arrangements and conditions. As a result of these negotiations the establishment had been reduced, but the council was still not satisfied. However, rather than simply threatening privatisation as they had with the refuse, this time they proposed that negotiations with direct labour should run alongside a public invitation for private firms to tender

for the work. Despite a considerable union lobby and some supportive industrial action on the day, the Leisure and Amenities Committee decided to support this approach on 1st July 1981.

This was a clear tactical departure on the part of the council and represented its first real attempt to privatise. Nevertheless, the process went ahead and by 15th December 1981 a new agreement covering street-sweepers in the Borough based on a reduced labour force of 100, plus considerable improvements in the flexibility of labour, had been concluded. At that time this already meant the loss of approximately 30 jobs. Simultaneously, however, the public tender invitation had resulted in approaches by 13 contractors. Of the 13, eight had been discarded leaving five "possible" (table 1).

By the time of the meeting of the Policy and Finance Committee in January 1982, the council had narrowed its options to two: direct labour or Pritchards Industrial Services Ltd.

As will be shown in the case of refuse, the approach of narrowing down to only one alternative to direct labour is the best option for the council. It maintains the possibility that direct labour will be chosen to the last minute. The majority of Tory councillors voted to support private enterprise on ideological grounds, but they didn't want to say so too early in the process. This effectively diffuses opposition, keeps employees in doubt about the use of active opposition, as it is hinted that such action would harm their chances of being chosen. It finally presents a decision at the end of a long tendering process, by which time employees' morale is lowered and willingness to fight the decision reduced.

In response to the choice between Pritchards or direct labour, the union side pointed out the impracticality of the manning levels proposed by the contractor and the lowering of the service that would result. The council, for its part, repeated that they were interested in "value for money" and were not committed to privatisation as a matter of principle and furthermore would not necessarily take the lowest offer.

At its meeting on the 18th January 1982 the council of course opted for Pritchards, which was by sheer coincidence the lowest contractor with the lowest contractor's price and the lowest manning. They were to begin on 1st March 1982.

Any residual trust in the word of the council evaporated as a result of this decision. The award of the contract to Pritchard's caused some serious re-evaluation of the union's approach. However, time for such re-evaluation was very short.

## **The dust — a second time**

On the 19th February 1982 Mr Michael Heseltine, who by this time had announced a further 3 per cent cut in the 1982-83 rate support grant for local authorities, visited the borough. He was taken to see the new street-sweeping firm in operation, met their Managing Director, Peter Fox, and was widely photographed holding a Pritchards' broom in a workmanlike position. In a publicity coup Mr Fox took the opportunity to publicly hand over a letter to Mr Chope, offering to save £5m over the next five years if the refuse service was handed over to Pritchards.

The unions protested strongly about the stage managing of this event. The council said that there was no pre-arrangement but, of course, could not ignore such an approach. As a result of the Pritchards "initiative", on the 28th March 1982 the council decided to invite private tenders for the refuse service and asked the trade unions to "submit concurrently their proposals for improving the cost-effectiveness of the existing direct labour service, including the financial consequences of such proposals".

The council at this stage was obviously acting in a very confident manner. Street-sweeping had been privatised with a minimum of effective opposition. Some action had been taken in their support, based in the mechanical workshops, but it had failed.

The council were now asking the unions to join in a similar process to the street-sweepers, and barter blindly for the jobs of the existing labour force. It is significant to note that the tender process being offered simply means that the normal bargaining arrangements between the union and the employers is completely undermined. It meant the unions being reduced to the status of a private contractor simply trying to offer the lowest possible price to get the job.

Having had the experience of negotiating a new bonus scheme for refuse in January 1981, and then the experience of the street-cleaning tender process, there was some opposition in the unions to simply going the same way with the refuse service. Options were considered. They could put in a bid in accordance with the council's wishes — but against that were the previous experiences and an awareness of the multi-national contractors' ability to submit "loss-leaders" on the basis of totally impractical manning levels, simply to get a foothold. They treated labour as a very cheap commodity indeed and had a very low commitment to the quality



**TABLE 1**  
**STREET CLEANSING SERVICE**  
**OUTLINE OF CONDITIONS OF SERVICE OFFERED BY CONTRACTORS**

*Staff Levels*  
*(Direct Labour 100)*

Name of firm	Weekly rate of pay and overtime	Pension	Sickness	Holidays
EXCLUSIVE 74	HGV Drivers (45 hours) £146.25 Other Drivers (40 hours) £128.00 Sweepers/loaders (40 hours) £120.00 <i>Overtime</i> Mon to Fri: Time and one third Saturday: Time and half Sunday: Double time Average: £23 per week	Employees are required to joint the scheme and pay 5% contribution. Pension at 1/60th of final salary for each year of service.	Less than 6 months service: NIL. 6 months service and over: 4 weeks full pay 4 weeks half pay	After 6 months service: 1¼ days for each month worked After 12 months service: 20 working days per year. Plus 8 days statutory holidays per year.
RAMONEUR 86	40 hour week Grade A Street Sweeper £80 Grade B Driver/Sweeper £90 Grade C Specialist Driver/Sweeper £96 Grade D Market Loader/Driver £104 Grade E HGV Driver £110 Overtime as necessary	To be discussed after one year's service.	At Company discretion.	3 weeks per year

<p><b>PRITCHARD 63</b></p>	<p>Working week (Mon to Sunday) any 5 days Basic pay (40 hours) £90 Attendance Bonus £20 Performance Bonus £15 Drivers' Allowance £5 <i>Overtime</i> Mon to Sat: Time and half Sunday: Double time</p>	<p>NIL.</p>	<p>After 12 months service and up to 3 years: 4 weeks at £50 per week. Over 3 years service: 8 weeks at £50. Free BUPA membership Free Life Assurance.</p>	<p><i>In first year:</i> One day for each 2 months 1 to 5 years service 3 weeks 5 years and over 4 weeks Plus 8 days statutory holidays.</p>
<p><b>TASKMASTERS 76</b></p>	<p>Contract to run on 2-shift basis. 7-hour shift — Mon to Fri: £2.50 per hour for 35 hours inclusive of meal breaks. Gang Bonus: £8 per week <i>Overtime</i> Standard week: First 6 hours at basic, then time and half Saturdays: Time and half Sundays: Double time Average £30 per week</p>	<p>Eligible to join at age of 25 years after one year's service. Pension at 1/80th for each completed year.</p>	<p>After 3 months service: 4 weeks basic pay. 4 weeks at half basic. After one year's service: 5 weeks at full basic and 5 weeks at half basic Free Life Assurance</p>	<p>In first year: 15 days Second and subsequent years: 20 days Plus public holidays</p>
<p><b>HOME COUNTRIES 76</b></p>	<p>Basic Day (40 hours) £110 per week Attendance Bonus £2 per week Overtime available</p>	<p>Pension at least as attractive as local government. 4% contribution.</p>	<p>It is anticipated that local government entitlements would be maintained.</p>	<p>Up to 3 years service: 4 weeks 3 to 5 years service: 4 weeks and 1 day After 5 years service: 4 weeks and 3 days</p>

PLEASE NOTE that the above is a brief summary of what it is understood the named firms would offer. Firm details can only be provided by the firms concerned.  
Source: Wandsworth Department of Technical Services.

of the service. Was it therefore likely that direct labour could win simply by putting in a bid? It was concluded definitely not, especially as it was now plain that the Wandsworth Tories were ideologically committed to privatisation.

In the light of these factors, it was decided that the unions would not join in the tender process, but instead would launch a vigorous campaign of opposition to the whole approach of the council. That campaign would have to begin as early as possible, and would be aimed at being as broad-based as possible, including all unions, ratepayers, Labour Party branches and the local Trades Council. The Liaison Committee between manual and white-collar workers was rejuvenated, and it quickly became clear that there would be considerable support for a struggle with the council. It was decided to press for an end to the tender process and a "no privatisation" agreement covering all workers in the borough. In late March 1982 the Liaison Committee decided to call a meeting of all employees in the borough, both manual and non-manual, at which a recommendation would be put to begin combined borough-wide action on April 19th, the day that the council had stated it was to make a public call for tenders. The unions were to respond with an attempt to stop the whole tendering process and prevent the advance of privatisation into the borough.

The Liaison Committee began a press and propaganda build-up which included press statements, adverts and leaflets. It was decided to contact as many groups locally as possible, including community and tenants' organisations. The local Trades Council had already formed an "anti-privatisation" sub-committee as a result of the street-sweeping difficulties. It now began to prepare supporting materials on the issue of the refuse. Approaches were made to tenants' organisation through the housing sub-committee of the Trades Council, which drew in tenants from many areas of Wandsworth.

A complicating factor was that local council elections were due on May 6th. Regular contact had been established with the Labour Party's Policy Organising Committee. Some concern was put forward from certain quarters in the Party about the possible timing of the action. The unions felt that privatisation was an issue that had to be publicly fought out and did not accept that electoral disaster would be the result of action so close to election day. It was hoped to create a considerable groundswell against privatisation and its consequences through a broadly based campaign, exposing

the truth about contractors' poor services and terrible employment policies.

### **The campaign begins**

On the 7th April a mass meeting of over 2,000 Wandsworth employees heard contributions from national union leaders, including Rodney Bickerstaffe, the newly appointed general secretary of NUPE. The meeting overwhelmingly supported an immediate campaign, including industrial action, to begin on April 19th. The unions met the leader of the council on the evening of April 7th, but were told that the council still planned to invite tenders as from the 19th.

From the point of view of the Liaison Committee, it was felt that early action had to be taken, as delays would allow the tender process to get under way without opposition, which could lead to demoralisation and increase the difficulty of organising opposition at a later date. It was further felt that Labour could usefully argue against the dismantling of services during the election campaign. The unions were under no illusions about the real plans of the Wandsworth Conservatives and were convinced that the tendering process was more of a trap than an opportunity.

The action therefore began on April 14th with the aim of stopping the tender process. The unions indicated that if such a withdrawal of the tender process occurred, they would, as normal, be willing to discuss matters with the council, but the privatisation process had to be halted first.

The importance of the white-collar workers and their union NALGO in organising and supporting the campaign was considerable. Contrary to the traditional view that manual workers tend to have of NALGO branches being unwilling to take strong action, the NALGO branch in Wandsworth was respected for its organisation and track record on previous issues in the borough. There is not a shadow of doubt that without the support of NALGO a much weaker campaign would have been waged.

The action began with a one-day strike by the whole borough, followed by selective action organised through the Liaison Committee. From the start, NALGO had their telephonists, cashiers and people in the rating section on permanent strike. The manual side aimed for a one-week strike of all manual staff followed by more selective action. Social services were in the first

instance exempt.

From the beginning the action began to gain marked support and publicity. The width of the action was considerable, and largely flowed from the decision to try and achieve an end to privatisation for all workers in the borough. Privatisation had been positively identified as a threat to all employees and the campaign was seen as having possible benefits for all. Details of the extent of the action are shown by an official report to the Establishment Committee of the council:

**TABLE 2**

**Supportive action against privatisation**

**REFUSE DISPUTE**

**Summary of Industrial Action**

1. On April 19th strike action was taken by 1,550 officers and 420 manual staff.
2. Since that date strike action has been maintained by the manual staff in the Refuse Section, and strike action has been taken on various dates by the following staff:

Administrative staff	(12 officers)
Computer staff	(14 officers)
Finance Staff	(14 officers)
Refuse Inspectors	(8 Officers)
Supplies staff	( 5 officers)
Telephonists	(18 officers)
Boiler Operatives	( 2 manual staff)
Caretakers	(52 manual staff)
Cemetaries staff	(29 manual staff)
Drivers — Mobile Library/Ambulance Service	(30 manual staff)
Hall Cleaners/Attendants	( 4 manual staff)
Highways/Sewers staff	(24 manual staff)
Mechanical Workshops staff	(55 manual staff)
Messengers	( 9 manual staff)
Parks staff	(26 manual staff)
Pool Attendants	(13 manual staff)
Stores staff	(11 manual staff)
Traffic operatives	(26 manual staff)
Transport/Depot staff	(18 manual staff)
3. Other industrial action short of a strike and in breach of contract has been taken in the period April 28th to May 13th by various office staff in the following departments:

Administration Department	68 staff
Housing Department	145 staff
Planning Department	36 staff
Social Services Department	33 staff
Technical Services Department	14 staff

*Source:* Report to Establishment Committee of the Council, 27th May 1982.

Ninety per cent of NALGO members stopped work on the 19th. It was very encouraging to see white-collar staff taking a leading role in putting pressure on the council. It was impossible to telephone the Town Hall and the council's rates were left uncollected. On the manual side, approximately 1,000 were out for a week, from parks, public halls, public conveniences, catering, sewers, transport.

There were some problems, however, especially as regards the fitters in the mechanical workshops. They had been the focal point of resistance to the council's earlier proposals to privatise the street-sweeping service. They too had been faced with the threat of privatisation. The previous October they had gone back to normal working on the basis of a "no-strike" clause and were busy cutting staff to try and ensure that their work stayed "in-house". They saw their interests threatened by involvement in the stoppage and although they joined in from time to time, their requests to the Liaison Committee for exemption became a depressingly regular feature of committee meetings.

Overall, however, the first week was seen as very successful from the union point of view. White-collar workers and manual workers established their own strike committees, which would then report their plans to the overall joint Liaison Committee to be sanctioned or not.

### **Picketing**

It was the refuse section that provided the main pressure and initiative on picketing. All refuse collectors were expected to picket and from the beginning the refuse section held the view that the issue could not simply be fought in Wandsworth. They saw themselves as being the first in a long line of dominoes, and if they were privatised others would very soon follow. This has in fact proved to be the case with neighbouring Tory Borough of Merton having now decided to use Taskmasters to carry out their refuse and street-sweeping services, and Hammersmith and Kensington and Chelsea considering going the same way.

Having decided that the issue was a broad one, the manual

workers' strike committee began sending out pickets to other boroughs to seek support. Although this led to a number of meetings in the boroughs, it did not lead to widespread support. With notable exceptions like Southwark and Lambeth, there was in general a reluctance on the part of the workers in the other boroughs to become involved. However, the approaches made elsewhere did have a positive side. In addition to raising the dangers of privatisation and beginning to make branches elsewhere consider their response, there was a very clear impact on Wandsworth council. From the beginning of the stoppage it had brought in private contractors to try to minimise the effect of the strike on the streets of Wandsworth. As a result of sending pickets elsewhere, and with the support of the GLC as far as their refuse tips were concerned, the contractors found that they were unable to get rid of refuse they had collected. The unions attempted to push them as far out of London as possible. With the longer and longer journeys to find private tips, they were unable to control the situation in Wandsworth. They were finally pushed as far as Dartford in Kent, and of course this began to cost the council considerable amounts of money in contractors' fees. As a result of successful picketing, a number of private contractors withdrew and the impact of action in the borough began to shine through more strongly.

### **Publicity and propaganda**

From the beginning considerable emphasis had been placed on the need to begin to get the message about privatisation across to all union members and the public both inside and outside Wandsworth. A four-page newspaper was produced under the name "Wandsworth Call", devoted to the issues of privatisation and the reasons for the action. Leaflets both for the membership and the public were produced and distributed widely. A full-page advertisement in the local newspaper was bought and proved successful. Every effort was made to respond to press calls and requests for interviews, etc. The industrial action was providing the platform from which the issues about privatisation were very publicly debated. As is always the case there was some criticism of the type of coverage given by the media, but the unions' tactics of speaking on the subject at all times, whether it be press, radio or television, continued and successfully raised the issues about privatisation on a wider scale than had been achieved elsewhere.

# WANDSWORTH CALL

FREE

A paper produced by London Borough of Wandsworth (manual workers) Joint Shop Stewards Committee APRIL-MAY 1982

## OUR SERVICES UNDER ATTACK

**THE WANDSWORTH Conservatives have declared war on their employees on the eve of the council elections**

It is nothing more than a cynical election gimmick. They are trying to make the trade unions the scapegoats for their mismanagement of the borough's finances and the terrible neglect of services.

They have the cheek to say that the trade unions are making a political issue of privatisation. But we don't! Immediate privatisation: it is THEIR political football, not ours.

For the past few years we have co-operated with the council in making savings which have included the loss of 1,500 jobs.

No one can accuse the trade unions of not playing their part, especially when you consider the

level of unemployment that exists in Wandsworth and the cuts in services that this involved.

But the Tories are never satisfied. They want more. Now they want to destroy the jobs of:

- 220 dustmen
- 20 vehicle mechanics
- Parks and gardens employees
- Housing caretakers
- Public health employees
- Town Hall employees

OUR fight is for our members' jobs, our members' living standards and our members' conditions of work.

But more than that - WE ARE FIGHTING FOR THE PEOPLE OF WANDSWORTH AND THE SERVICES THAT THEY HAVE A RIGHT TO EXPECT.

It is our job to carry out this fight, and it is not political, except insofar as we are fighting employers who are politicians.

The Tories are using privatisation to destroy our

jobs and living standards. But did you know that 70 years ago they decided that contractors should not be employed by the council?

It's a fact: the Conservative Party kicked Suddick & the refuse contractors, out of Wandsworth because of the lousy service that they provided!

Most of the facts have been hidden from the people of Wandsworth - We want you to know the truth.

If we lose our battle it won't be only us that lose:

- Services will be slashed still further
- Unemployment will rise dramatically because contractors never employ enough people to do the job properly
- The Conservatives will have laid the ground for massive rate rises for the future because of the contractors' ability to hold the council to ransom.

**WE ARE COUNTING ON THE SUPPORT OF ALL THE PEOPLE OF WANDSWORTH IN OUR FIGHT!**

### Front page extra

SINCE the end of February, two months that passed without Wandsworth snow.

- A staggering 500 complaints a week are flooding the Council office.
- Pritcharde, new boss, has an average of \$1,000 each week for streets not swept.

They are proving our argument. Wandsworth residents are being prosecuted because of the job.

Councilor Clarke knows these facts and he is hiding the truth from the ratepayers. When will this fraud end?

### Missing streets

The Council failed to put placards about the existence of 69 streets in Wandsworth.

How many more will local taxpayers have to fork out to keep the lights



Getting the message about privatisation across to all union members and the public.



## **The local elections May 6th**

Up to the local elections on May 6th the unions' tactics remained the same. NALGO continued to play a crucial part with the selective action of telephonists, cashiers etc. The council had responded by bringing in agency telephonists, but NALGO had replied with instructions to all their members not to pick up telephones. The manual side continued to centre on the refuse collectors, with supportive action by housing caretakers, parks and other sections.

The election was seen as an important focus for both the unions and the existing Conservative council. Wandsworth was seen as being rightfully Labour territory, with the takeover by the Conservatives on the previous round of council elections something of a disaster. Other London boroughs in the previous round, who were seen as being in greater danger, had stayed Labour, but Wandsworth, regarded as a "safer" area, had swung to the Tories. Considerable debate had taken place inside the borough about the causes of this situation. It is impossible here to go into this debate, but suffice it to say there were hopes on the union side that Labour would regain power and indications had been that they might win by a small majority. An additional unforeseen factor was of course the problem of the Falklands, which many people felt was affecting the elections in a significant way. Whatever the influence of the Falklands, the outcome of the election was that the Tories retained control, albeit with a reduced majority. Wandsworth was one of the few Boroughs where there was a swing to Labour, but of course, this was of little consolation as the power remained where it had been before. The Conservative majority had been reduced from 11 to 5. The SDP/Liberal Alliance had a disastrous night in Wandsworth, achieving only one seat and leading to great local gloom amongst SDP/Alliance supporters.

## **Negotiating positions**

Up to the local election of May 6th the unions had been pressing for an end to the tendering process and a "no privatisation" agreement. The Tories had maintained a studied silence in terms of responding to the claim. They had joined in the debate about privatisation publicly, but had no formal meetings with the unions to discuss resolving the impasse.

Clearly the result of the election changed their view of things and



Carlos Augusto (IFL)

*Demonstration, Wandsworth, 10th May 1982, at the height of the battle against privatisation.*

also affected the position of the unions' campaign. On the union side some people had put more importance on the outcome of the election than others. For everyone it was a setback, but in the case of NALGO it resulted in strong pressure from their membership to withdraw from the campaign. Financial problems had begun to affect them also, as they had been paying their strikers from local funds. A number in the NALGO leadership felt that they should grasp the nettle of not paying strikers, but their active part in the campaign came to an end at a mass meeting on the 12th May 1982, when they voted to return to work and open negotiations with the council. NALGO's decision was not heavily criticised, as it was generally recognised that they had taken their members a long way in the struggle with the council. Those NALGO members who had been on selective strike for three weeks were beginning to feel isolated and were not convinced that it was within the union's power to win the dispute.

Despite this there had been a demonstration in the borough on May 10th, organised through the unofficial London Local Authority Joint Shop Stewards' Committee. Over 1,000 people had

joined the march through Wandsworth, which had given a considerable boost to those unions who remained committed to fight on.

It was in this context that the negotiating positions of both sides changed. The council initiated the change by breaking the veil of silence through the new Deputy Leader, Maurice Heaster. The new council wanted an end to the strike and were to make an attempt to draw the unions back within the parameters of the tendering process. The manual unions, with the loss of the NALGO arm, felt that it was an impossible proposition to simply continue to demand an end to tenders and a "no privatisation" agreement. The tendering process had begun on April 19th and by this stage the council were receiving responses from private contractors. However, the unions remained committed to not joining in the tendering process and wanted to retain their freedom to negotiate. It was decided on the union side that the aim should change to demands to see the outcome of the tendering process in terms of the details and costing put forward by the contractors, and then require negotiations about keeping the service in the hands of direct labour. The tendering process was due to close on June 2nd.

After approaches from Councillor Heaster, meetings began to take place between the two sides. Mr Heaster emphasised the



Carlos Augusto (IFL)

*Wandsworth dustmen picket at Feathers Wharf over private contractors being hired, April 1982.*

serious concern of the council about the continuing action. The manual strike committee emphasised its opposition to the use of private contractors and wanted the details of all tenders after the closing date, and negotiations after they had been supplied.

On May 19th the council put forward terms for "a possible "return to work" agreement (see table 3). It amounted to an extension of the closing date for tenders to allow the unions to put their own proposals. Additionally the council introduced a new concept into the negotiations i.e. buying out the opposition of the existing workforce. They indicated that improved severance terms would be available "in the order of £800,000".

### TABLE 3

Mr I. Scott,  
Area Officer  
National Union of Public Employees,  
13/15 Stockwell Road,  
London SW9 9AT

LONDON BOROUGH OF  
WANDSWORTH

19th May 1982

Dear Mr Scott,

I write to confirm the outcome of today's discussions between the Chairman of the Establishment Committee, his Deputy and Vice-Chairman and the Trade Union Side.

The Chairman stated that the Council is prepared, on a return to normal working, to enter into immediate negotiations to assist the trade unions with cost reductions in the present service and, to allow further time for these negotiations, is prepared to extend the date for the opening of tenders by two weeks beyond June 2nd to allow for the conclusion of these negotiations.

In return for an immediate resumption of work the Council is also prepared to enter into negotiations on improved severance terms, which will cost of the order of £800,000, in the event of a contractor being retained for the service.

The Council rejected a proposal from the trade unions for negotiations to take place with the Council to be commenced after the opening of tenders and in comparison with the figures then submitted. This proposal cannot be agreed as it would undermine the fairness of the tendering process by disclosure of the lowest tender.

As a resumption of normal working was not agreed at the meeting the Chairman stated that unless there is a return to normal working by Monday 24th May, authority will be sought from the Council for dismissal notices to be issued to employees who are in breach of their contracts of employment with the Council.

Yours sincerely,  
L. Evans,  
*Chief Personnel Officer*

By this stage the action that was being taken in the borough was losing some support amongst the manual staff. It was decided to adopt a new tactic of closing down the council depots altogether with particular attention to the central depot. Outside the borough, whilst knowledge of the dispute had spread across London, little in the way of supportive action was being taken. Also, on a wider scale, the national conferences of both NUPE and GMWU were due to take place. Members of both unions lobbied their respective conference and received strong support. The NUPE conference voted overwhelmingly to support the action and decided to encourage official supportive action from other branches.

It was in this context that the May 19th "offer" from the council was rejected. At this stage the council remained unwilling to disclose the details of tenders as, in their view, this would undermine the "fairness" of the tendering process. Councillor Heaster also gave notice that unless a return to normal working could be agreed by May 24th, authority would be sought from the full council to dismiss all strikers.

The General Secretary of NUPE, Rodney Bickerstaffe, wrote to all individual councillors making clear the union's support for its members and warning against any sackings.

Nevertheless, on May 24th, the council confirmed the authority of the Deputy Leader to dismiss the men still on strike. However, it was plain that having taken the power to do so, the council were reluctant to take a step that could provoke considerable response due to the number of dismissals involved. Unfortunately, by this stage, the Wandsworth strikers were very tired and the level of action in the borough had gradually reduced to centre on the refuse collectors only. This isolated position was one which the unions had attempted to avoid. They had been at pains to prevent the dispute being labelled simply as a "dustman's" dispute.

The balance of forces at this stage led to lengthy negotiations about a formula for a return to work. This was finally reached on the 28th May 1982 and accepted at a stormy meeting of the refuse section.

### **Return to work and beyond**

The agreement to return to work included provisions to supply the unions with details of the tenders after the closing date (June 2nd). In addition the director of the department dealing with the refuse

was to come forward with his own plans for the refuse department. The unions were given the right to negotiate about the contents of the director's proposals, but not to change the overall level of savings that he was aiming at.

Finally, the unions had the right to include 'their own independent proposals to go before the council. Negotiations were also to take place on possible redundancy and severance payments on the clear understanding that much more money was on offer. The council were definitely interested in buying off further opposition to their plans.

Judged against the original aims of the campaign this was a far from satisfactory position to reach. However, in the circumstances prevailing by that time, it was seen as the best possible option. The council were clearly pleased, as they had succeeded in dragging the dispute back within the confines of what they saw as the tendering process. Despite severe setbacks the unions had avoided being dragged into the tendering process and intended to continue the struggle against the council's proposals. On June 16th in accordance with the return to work agreement, the details of the tenders was given to the union side (table 4). It straightaway became clear, and was confirmed by the council, that Grandmet was the main contender for the job. They submitted proposals which gave the lowest manning (133) and the lowest annual cost (£1,993,038). It was immediately plain that the direct labour force could not and would not compete with such a submission. It would have entailed impossible reductions in manpower and vehicles, and the service would have suffered.

After considering the position that had been reached, the unions decided that they would draw up their own proposals which would be presented to the council and the public as the most efficient method of maintaining a satisfactory level of service in the borough. A policy decision was taken not to try and undercut the contractors. Rather, the unions would stick at a level that would maintain the service in the borough. Value for money for Wandsworth ratepayers was put forward as being best achieved through an improved direct labour service. Propaganda against the contractors centred on the very poor showing of Pritchards' street-sweeping service and the level of penalties incurred. In addition to drawing up their own scheme, the unions also prepared their own submission and criticisms of the contractors' proposals to go before the council. Throughout this approach the underlying theme

**TABLE 4**  
**REFUSE COLLECTION TENDER —**  
**MANNING LEVELS**

<i>Contractor</i>	<i>Personnel</i>		<i>Supervision</i>
	<i>A</i>	<i>B</i>	
Waste Management Limited	132	—	1 Manager 1 Superintendent 3 Inspectors 1 Tele/Clerk 1 Clerk
Taskmasters Limited	163	124	1 Project Manager 2 Quality Control (Domestic) 1 Quality Control (Non-Domestic) 1 Admin Officer 1 Clerical 1 Storeman/Assistant
Exclusive	—	112	1 Manager 3 Area Managers 3 Admin Staff
Grandmet	133	—	1 Manager 2 Superintendents 1 Clerk/Book-keeper
Drinkwater Sabey	not quoted		3 Management 4 Supervisors 4 Admin
Boiler and General	not quoted		8 Supervisory 5 Admin
Factory Cleaners	152	121	Not stated
Wastedrive Limited	162	149	1 Manager 3 Supervisory 2 Admin
Pritchards	146	115	1 Contract Manager 3 Supervisors

*Source:* Wandsworth Department of Technical Services.

'A' and 'B' refer to two types of tender contractors may have made. 'A' is based on a site existing style of service. 'B' refers to any proposals for a new style of service.

of the unions was that an attempt to “compete” with contractors on their own terms was a blind alley and a practical impossibility given a commitment to maintaining the standard of the service and the conditions of service of the directly employed staff. The issues of efficiency and value for money were therefore directly related to what the unions fixed as an acceptable level of service in the borough.

Final negotiations also took place on severance terms with local union representatives. The tactics of the council were to link higher severance pay with guarantees of no further disruption of the service. They finally offered 2½ times statutory redundancy pay plus one week’s pay in lieu of notice for each year of service (maximum 12 weeks). The stewards accepted.

### **Out to contract**

From the council’s point of view, by this stage, they had laid the ground for a decision to use contractors. The unions’ position was that they had put forward an efficient and “value for money” proposal linked to a satisfactory level of service in the borough. This was done with an eye to the future campaign about the service. Accordingly on July 12th the crucial committee meeting took place which had an extensive set of documents before it:

- a. An evaluation of the tenders by the Director of Technical Services which had been supplied to the trade unions. Appendices to the document including revised working arrangements based on proposals put forward by the Director of Technical Services; an outline of conditions of service offered by contractors (table 5); details of severance and early retirement terms; letters to the council from Exclusive Cleaning; Pritchard Industrial Services Ltd., and Taskmasters.
- b. Trade union submission plus proposals.

Comments by officers of the council on the trade union submission.

On July 12th the Committee predictably took the decision to employ Grandmet to do their refuse work and this was confirmed by the full council meeting on July 13th.

Immediately following that meeting the council wrote to all refuse collectors indicating that their last day of service would be September 17th. This was questioned by the unions under the terms of the Employment Protection Act and the council had accordingly



**TABLE 5**  
**REFUSE COLLECTION SERVICE OFFERED BY CONTRACTORS**  
**OUTLINE OF CONDITIONS OF SERVICE OFFERED BY CONTRACTORS**

<i>Name of Firm</i>	<i>Weekly rate of pay and overtime</i>	<i>Pension</i>	<i>Sickness</i>	<i>Holiday</i>
WASTE MANAGEMENT L.TD.	Driver/Loader (40 hrs) = £141.52 Loader (40 hrs) = £135.84 Weekend and Saturday Overtime = Time and a half Sunday = Double time	Membership of National Freight Consortium Scheme available to all staff.	Less than 6 months service: NIL 6 months to 1 year = 10 weeks 1 to 2 years = 15 weeks Over 2 years = 20 weeks at £45 per week/£9 per day <i>Personnel Insurance Scheme:</i> Medical Severance: 3 weeks pay to 15 weeks depending on service.	4 weeks per year Plus 8 statutory holidays'
TASKMASTERS	Loaders £130 Drivers £140 Gang Supervision £150 Shunter/Assistant (1) £100 <i>Overtime</i> Saturdays = Time and a half Sundays = Double time	Eligible to join at age of 25 years after one year's service. Pension at 1/800th for each year of service	<i>After 3 months service:</i> 4 weeks basic 4 weeks half basic <i>After one year's service</i> 5 weeks at full basic 5 weeks at half basic	In the first year: 15 days Second and subsequent years: 20 days Plus Public Holidays.
EXCLUSIVE	Driver (HGV) (45 hrs): £155.50 Ganger (40 hours): £137 Loader (40 hrs): £135 <i>Overtime</i> Mon to Fri Time and one third Saturday Time and one half Sunday Double time	Employees are required to join the scheme and pay 5% contribution. Pension at 1/600th of final salary, for each year of service. Free life insurance cover.	Less than 6 months: NIL 6 months service and over: 4 weeks full basic pay 4 weeks half basic pay.	First year: 15 days Subsequent years: 20 days Plus 8 days statutory holidays per year.
GRANDMET	40 hrs (Mon to Sun) over any 5 days Driver (HGV) Basic £90, Bonus £25, Holiday accrued £2, Total £117. Co-driver (HGV) Basic £88, Bonus £24, Holiday accrued £2, Total £114.	The Company's Pension Scheme is 'contracted out' of the State Scheme. Employees are required after 5 years service and if qualified by age, to join the Company's Payroll Staff Pension Scheme.	Less than one year: NIL 1 to 3 years: 2 weeks 3 to 5 years: 4 weeks over 5 years: 6 weeks Paid at the rate of: First 4 days of absence in an 8-week period, normal basic pay.	<i>Annual Holidays:</i> 2 days after 4 weeks service, graduating to 20 working days after 48 weeks service. Thereafter 20 working days per year. Plus Statutory holidays.

Collectors Basic £85, Bonus £24,  
 Holiday accrued £2, Total £111  
 Overtime  
 Mon to Fri Time and half  
 Saturday Time and half (when not  
 part of working week)  
 Sunday Double time (when not part  
 of working week)  
 Special re-call, split duty, rest and  
 night work rates also are paid

After 4 days, pay at 50 per cent of  
 basic

**TABLE 6**  
**WANDSWORTH BOROUGH COUNCIL**  
**Refuse Collection Service**  
**Details of existing staff and outline of conditions of services**

Existing Staff	Weekly Pay	Fixed Bonus	Total	Holidays	Sickness Payments		
					Years Service	full pay	half pay
Foreman G	£98.50	£39.94	£138.44	6 months to 4 years: 20 days 5th year onwards: 25 days Plus 11 days statutory or extra statutory days	1/2	4	4
Loader/Driver Class I G	£90.90	£39.94	£130.84		1	8	8
Chargehands F	£93.05	£39.94	£132.99		2	13	13
Loader/Driver F	£88.45	£39.94	£128.39		3	16	16
Shunter drivers F	£88.45	£39.94	£128.39		4	20	20
Refuse Collection E	£84.90	£39.94	£124.84		5	20	20
Labourers B	£77.50	£39.94	£117.44		6 and over	26	26
Total establishment 216	Includes London allowance						

**Shorthand Pay** — Authorised when a crew is incomplete, based on — one man short — 12 times basic hourly rate plus one days bonus for one man to be divided between the remaining members of crew. When two men are short the calculation is based on 24 times the basic hourly rate.

**Pension** — Employees are required to join the scheme and pay 5 per cent contribution. Pension is at 1/80th for each year of service plus lump sum of 3/80ths for each year of service.

to amend that date to October 13th. In reply in an attempt to undermine any savings that the council might obtain from the contractors, a claim under the Fair Wages Resolution 1946 was lodged with the Department of Employment. The unions were able to do so as a commitment to that Resolution was included in the tender documents. The unions were hopeful of making progress in this area as the proposed wages to be paid by Grandmet for refuse collectors and drivers were inferior to those being paid by Pritchards for street-sweeping.



Carlos Augusto (IFL)

*Pritchard moves in.*

## **More privatisation**

It is also important to note that at the meeting on July 12th/13th, in addition to privatising the refuse collection service, the council also decided to review all other services in the borough with a view to possible privatisation. So far, consequential threats of privatisation have begun to appear in negotiations on housing caretakers' conditions and the employment of certain parks maintenance workers. With the council decision, the dispute in terms of direct action by the unions terminated. The membership felt that there was little scope for changing the council's mind and the focus should move to exposing the failures of the contractors and the type of service they provide.

Since that time, on information received from the council, 150 refuse employees have been interviewed by Grandmet. Of those, 72 men have been offered a job on much inferior terms to direct labour. Needless to say, none of the shop stewards or union activists have been employed, but a small number, who signed a council list to return to work during the dispute, have. The final position is that Grandmet will probably employ far more than the 133 people they proposed. Wages and conditions are as outlined in table 6. Wandsworth council are receiving 150 to 200 complaints daily from residents who are dissatisfied with the quality of refuse collection achieved by Grandmet. The NUPE submission to the Fair Wages Resolution is still pending. NUPE also applied for recognition to Grandmet.

## **LESSONS AND CONCLUSIONS FROM WANDSWORTH**

### **The Threats**

Many of the tactics and arguments adopted by Wandsworth council may well be used by other employers with the same aims in mind. If the unions are to successfully confront the threat, there are a number of lessons from the dispute that may be of wider relevance. First, they should understand the nature of the *threats* facing them.

#### **1. The political threat**

The present Conservative Government is very dogmatic about its preference for private enterprise as opposed to public provision of services. This attitude has permeated many local authorities under

Conservative control. In such authorities private contractors are seen as being better than direct labour as an article of ideological faith. Contractors are attractive and welcome to the new Tories — they are closely linked to the Government's policy of cutting expenditure and services; they are cheap because they cut jobs, wages and conditions of service and have no commitment to maintaining any standard of service; they are seen as essentially a weapon against the unions. They are traditionally anti-union or under-unionised firms; they tend to rely more on casual labour and are thus difficult to organise. So they further the Conservative aim of weakening public sector unions, and indeed the union movement as a whole.

Given these considerations, an early evaluation that any workforce must make is the type of political employer it is dealing with when the issue of privatisation is raised. If it is Thatcherite, then the unions' approach must be based on the clear understanding that direct labour has little support and indeed will face active opposition from its employer. Old conceptions of amicable negotiations no longer apply. Wandsworth learnt this the hard way and had already suffered the reversal of the street-sweepers before doing so.

## **2. The threat of blackmail**

Privatisation proves an economic threat to members not only through the existence of private contractors who employ many fewer people at much reduced conditions of service, although that is serious enough. It also poses an even wider threat where it is used as a bargaining weapon by employers in an attempt to bargain away terms and conditions of direct labour that have taken many years to build up. This has happened in a number of areas and in the Wandsworth case operated successfully in the refuse section, where they initially gave up nine vehicles and 40 jobs in response to the threat.

## **3. The threat of low pay**

Privatisation also goes so far as to threaten a method that has been relied upon by unions in many areas to achieve reasonable wages, i.e. work-study based bonus schemes. In NUPE's biggest sections of membership, i.e. health and local government, they have been used since the 1969 National Board for Prices and Incomes Report

on Low Pay recommended them as a method of overcoming the terrible wage levels of most NUPE members. Whilst the approach has not overcome the problem, many members now rely on bonus earnings to achieve anything approaching a living wage.

However, with privatisation the concept is now developing of "tender-related bonus schemes". This means, in effect, that employees will have their proposed bonus scheme based not on work-study but on what price the contractor can do the job for. This 'cash limit' approach to schemes with the limit set by contractors will, if it gains ground, undermine the original aims of bonus schemes and make low-pay an even more serious problem. Demands for flexibility of labour and job cuts related to schemes will be much stronger than before.

## **The lessons**

Given the very serious nature of the threats implicit in "privatisation", considerable thought needs to be given to the campaign in response to that threat. A number of possibly useful points have arisen from the Wandsworth experience.

### **1. Lessons for organisation**

#### *(a) Early organisation*

Wandsworth found out in practice the amount of time and effort required to prepare for a campaign. The lack of knowledge amongst both the membership and the public at large about privatisation is massive. It is therefore essential that the job of education is started as early as possible, whether or not the threat of privatisation has actually been brought forward by a particular employer. In Wandsworth we suffered from having to press forward without sufficient groundwork due to the time scale involved. Education of the membership is particularly important as in a number of cases we found that some members do not see the prospect of employment with contractors as a threat. This complacency needs to be overcome by bringing home what happens in practice. Large numbers of ex-direct labour employees are not taken on and those that are, are vulnerable to "hire and fire" policies and very poor conditions of service.

#### *(b) Organisation on a broad front*

The issue of privatisation needs to be fought with as broad a front

of support and co-operation as possible. A particularly important element in such support should be the consumers of the services, the ratepayers. They are a crucial pressure group and can add significant political pressure behind a campaign. Efforts were made in Wandsworth through public meetings and contact with tenants associations to try and mobilise that support. But such attempts were made hastily and with insufficient groundwork to really bear a great deal of fruit. Again it would be much more useful for branches to form links with consumers as early as possible. There is no doubt that alliances of this type will provide a strong basis for pressuring employers who propose run-down of services through the use of contractors.

Further important elements in the width of the campaign must clearly be other unions, trades councils and local Labour Parties. In the experience of Wandsworth we should not under-estimate the extent of the work that needs to be done inside the Labour Party. It would be wrong to assume that Labour councillors will automatically support an anti-privatisation campaign. Many Labour representatives are privately, and some not so privately, attracted by the Conservative arguments about saving money. In the case of Wandsworth it was not until a number of meetings had taken place with the Labour Group and Party branches that the Party openly committed itself against privatisation. Involvement of the Labour Party and education of its members in the fight against privatisation should be an essential part of the campaign.

Finally, it is essential to break down any barriers that exist between white-collar and manual unions. Privatisation is blind to the different coloured collars that jobs require. They are all equally threatened. In Wandsworth NALGO proved to be an essential ally in mobilising and carrying on the campaign. From the Wandsworth experience it is clear that the threat extends to all. At the same meeting that privatised the refuse collection service, the council took a decision to review all services with a view to possible privatisation. To get maximum union support against privatisation it is therefore wise to pursue initially a "no privatisation" agreement covering all workers covered by the employer. This type of umbrella approach attracts broad support and certainly helped to begin the Wandsworth campaign on the correct footing.

### *(c) Membership organisation and education*

A further important aspect of overcoming feelings of isolation is to

ensure that the members' own unions are fully briefed and their support organised. In the case of Wandsworth the national executives of the NUPE and GMWU made the action official from the beginning. This was re-enforced by national conference decisions later in the dispute. But, of course, most unions have regional structures and efforts should be made to ensure that all union members in the immediate region are fully behind the struggle. Getting your union behind you is a simple message, but to some extent it is one that was not fully carried out in the Wandsworth case, to the detriment of the campaign. Outside Wandsworth the industrial action had the immediate impact of raising other members' awareness of the dangers that privatisation poses. Other councils will have noted the amount of disruption that was related to a decision to try to privatise. Such disruption is a "cost" as far as any council is concerned. It is a cost in terms of council time, effort and resources in countering the union opposition and trying to maintain public support for their own point of view. It is likely that these "costs" will be taken into account by councils that are not completely ideologically committed to privatisation and may serve to direct some from the path of ridding themselves of direct labour. The costs will appear on the "debit" side of the equation when employers are considering the options. This again emphasises the need for early organisation to ensure that any employer is aware of the strength of opposition that is likely to arise if a proposal to privatise is made. The Wandsworth Council were in the event willing to pay considerable sums of money over and above statutory redundancy pay to "buy off" continued opposition and try to ensure a smooth transition to private contractors. They even paid backlog money after the dustmen returned to work, to the tune of £85,000 in spite of the fact that contractors had been in the borough during the dispute. Given the type of council that Wandsworth has become, it will be appreciated that the money was not given for altruistic reasons.

## **2. Lessons about industrial action**

Obviously a very important element of consideration in any campaign will be whether or not industrial action should be used and, if so, when it should be used. A decision in this respect must hinge on an evaluation of the type of employer being dealt with. If



the union is facing an ideologically committed employer then the campaign must recognise this from the beginning. In the case of Wandsworth clear evidence had been given by the experience with street-sweepers as to what the unions were up against. This decision can only be made locally in the light of local knowledge and experience, but it should be borne in mind that the longer that a response is delayed, the more difficult it will be to organise one, as morale tends to fall as the issue gets drawn out by a tendering process. In Wandsworth the Council were happiest when there was no industrial action and they had changed the union back to trying to influence the decision by written submissions.

In Wandsworth's case the industrial action proved itself to be an essential platform around which the arguments about privatisation could be effectively brought out and fought out in public. There are, however, some points that should be made about the width of the action. The original aim was to involve as many unions as possible in support of the campaign on the basis of the broad approval previously described.

In the event, inside the borough this initially worked well due to the "umbrella" nature of the claim for a "no privatisation" agreement. Over time the width of the action began to fall away as many members felt that they were unable to put sufficient pressure on the council to change its policies. Eventually this led to the isolation of the dustmen. Avoiding such a development had been at the forefront of our priorities.

To overcome this type of situation the involvement with local trades council and private sector unions is crucial. The Wandsworth trades council was closely involved and did a great deal of supportive work, but the support and activity only extended as far as the trades council activists. At all times the only action being taken was by public sector unions inside the borough. The aim should be to achieve supportive action from private sector unions in the area. This raises the whole issue of how to convince the private sector unions of the need to act to defend public sector services. It will require a great deal of work and effort to break down the barrier between the public sector and the private. The trades council is the forum in which to begin to do it. The rewards can be an effective method of putting further pressure on a Conservative council through the impact on private employers in the area. If there is a decision to take action therefore, do not leave out approaches to private sector unions.

### 3. The lessons for a campaign against privatisation

The broad aim of any campaign is of course to defeat privatisation, but special emphasis should be given to convincing the people locally of the real arguments against privatisation.

#### (a) Defining "efficiency" and "value for money"

In Wandsworth the Conservatives publicly maintained that they were not pursuing privatisation out of any political ideology, but simply because they were seeking "efficiency" and "value for money". This will be an argument wherever privatisation is proposed for local services.

A number of union members, ratepayers and some Labour Party representatives may be swayed by these arguments. It is almost inevitable that ratepayers will be initially attracted by arguments which involve spending less money.

This is an area that must be tackled clearly and openly. Indeed it is an essential task for the union to expose the myth that many Conservatives and contractors themselves are trying to make an accepted fact; that contractors mean efficiency combined with cheapness and good value.

The facts from the Wandsworth experience are that contractors are in practice *more inefficient* than direct labour. They cannot guarantee that the *level of the service* is maintained. They are cheaper simply because they cut conditions of employment and do not employ enough people to get the job done satisfactorily. But even with their lower costs there must be doubts whether they will be cheaper in the long run. Once they have gained control of the services it is quite likely they will start *increasing their prices*.

In Wandsworth the report on the first six months of street-sweeping has confirmed that there is a *poor service*; the contractors use "hire and fire" methods and in general have a haphazard approach to the job with little planning or training involved.

It is essential to break down the Conservatives and contractors' attempt to identify "cheapness" with "efficiency and value". This can only be done by exposing the terrible services that contractors give and the way contractors treat their employees. To do it effectively the unions need evidence rather than opinion, facts rather than accusations. *It is crucial for the union to monitor the performance of contractors in areas where they have been successful in forcing their way in.*

democratic way to express trade union organisation than putting in a confidential tender. Trade union branches that are not able to stop the tendering process may be well advised not to join it, but to wait until it is finished. After the closing dates proper negotiations about definitions of efficiency and services could take place on the basis of detailed information provided by the employer about the tenders submitted by private contractors. Tendering blind for your own job is degrading and will leave a litter of crestfallen trade union negotiators.

## **Conclusion**

In conclusion, then, from the Wandsworth experience it is plain that the use of privatisation poses the most serious of threats to the unions and their members. It is an extension of the Government's policy of cutting public expenditure and public services. But, in addition to simply being a cuts policy, it attempts to go to the root of union power and influence by bringing in anti-union and under-unionised firms. It threatens jobs, wages and conditions. Even where contractors are not brought in, they help the employer brow-beat employees into giving up manning levels and conditions that have taken many years of bargaining to establish. It threatens to institutionalise even more the existence of low pay in the public services. It is part and parcel of the Government's policy of lowering the level of such services. Finally, and just as seriously, the use of the tendering process attempts to undermine the recognised bargaining role of a union and reduce it to a blind barterer for jobs.

The policy of privatisation can be successfully opposed but it requires a broad campaign, early organisation and determined resistance. Further, as it flows from political ideology supporting the interests of private enterprise rather than public services, it cannot simply be fought individually. The Labour Party has an essential role to play in linking up with unions at all levels to campaign and expose the realities of privatisation. Serious efforts must be put into organising the support for public services amongst those who use them. Privatisation cannot be allowed to remain simply a public sector issue. It fundamentally affects the type of society we live in. If public needs are to be adequately met in the future, privatisation has to be defeated now.

## Postscript

Since *The Struggle for Wandsworth* was written the Union's submission that Grandmet was in breach of the Fair Wages Resolution, 1946 in its Wandsworth operation, has been heard by the Central Arbitration Committee. The Central Arbitration Committee awarded in favour of the Unions as follows:

48. The committee finds and decides that the Company is in breach of the Fair Wages Resolution in respect of the rates of pay and hours of work of the employees covered by the reference. To meet the requirements of the Resolution

(1) rates of pay should be increased with effect from the beginning of the pay week following 10 March 1983, as follows:

Chargehand/Driver Collector — £8.00 per week.

Co-driver/Collector — £7.00 per week.

Collector — £6.00 per week.

(2) the standard working week for employees in these grades should be reduced to 39 hours with effect from 4 July 1983.

*John G. Wood — Chairman*

*E.G. Barber*

*M. Turner*

14 June 1983.

“it is essential to stress that the purpose of the Resolution is to protect workers from unfairness. There must be a minimum which we have the duty to protect”.

Extract from CAC written decision June 14th 1983.

“ . . . privatisation becomes impossible if in fact the contentions which the Union have made in their allegation of breach of the resolution are in fact accepted . . . if local authority rates are the comparables there can be no question that there is no purpose in privatisation”.

Mr C. Newman QC representing Grandmet. June 14th 1983.



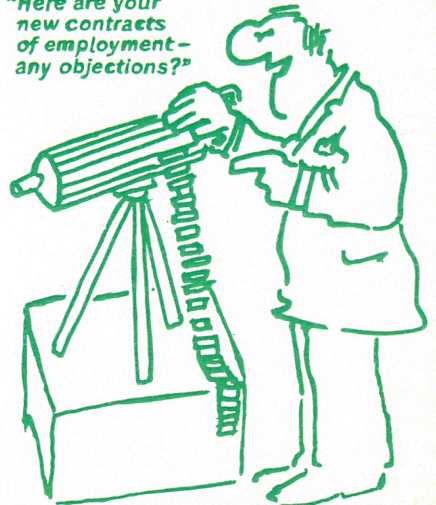
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**Public Meeting on PRIVATISATION**  
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London, W11  
Convened by Battersea & Wandsworth Trades Council