

# Exploiting the unemployed to line the pockets of big business

**Katrine Williams**  
PCS Wales chair

The introduction of the government's flagship welfare service the Work Programme has been criticised recently in a National Audit Office (NAO) report.

The programme was rushed through in just 12 months starting in June 2011. Disgracefully the government paid £63 million in compensation to private companies to end New Labour's Flexible New Deal contracts early. Ten of these same companies also got the lucrative new contracts with the Work Programme. Providing support to those on benefit is big business and there are many multinationals trying to get their hands on the £5 billion budget.

The government propaganda concentrates on scapegoating individuals for not getting a job. Yet unemployment is at 2.65 million and the government's slashing of jobs and services in the public sector only

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makes it harder to find work.

The scramble for profits skews the way the private companies provide services. The NAO report acknowledges that providers cherry-pick the easier-to-place people into work and "park" individuals who face more barriers getting back into work.

This was highlighted by PCS-commissioned research in 2006 on third sector involvement in welfare provision. This government puts the emphasis and payment on results. It is not concerned with how providers achieve the targets, as long as they get people off benefit. Also, using the current economic crisis as an excuse, it is

likely that the private sector providers will demand a relaxation of the targets they signed up to.

It is often difficult for the public to raise concerns with the quality of these companies' services. Many of them also have a bad track record in the treatment of their own employees, (see article below).

The NAO report recommends that the Department for Work and Pensions (DWP) monitors the contracts more robustly. And it highlights some of the problems caused by privatisation. PCS members working in the DWP have a proven track record in providing the best support to help claimants back into work. So the work should be brought back in-house by staffing up jobcentres to provide good quality, individualised support for those on benefit, rather than pouring public money into the coffers of big business.

PCS will continue to campaign for our alternative to the government's attacks on the welfare state, as well as opposing all cuts.



Defending public services photo Elaine Brunskill

## Reinstate John Brookes Sacked PCS steward!

**Alan Docherty**

A flying picket of a dozen civil service union PCS activists leafleted the Triage offices in Middlesbrough and Darlington on 23 January. They were supporting sacked union activist, John Brookes. He has been sacked for highlighting job cuts and reduction to services on the Work Programme - the government's private sector-led return to work scheme.

John was a senior PCS representative in the commercial sector and was previously employed by a company called Working Links. He has worked for 36 years and been a trade union rep for most of them. He has a lifetime of commitment to helping the unemployed in the Middlesbrough area.

In April of last year John was subject to a TUPE transfer from Working Links to Triage Central Limited.

On 23 August John spoke to the local media about welfare to work provision and the planned redundancies facing many of his colleagues. This has resulted in him being charged with gross misconduct by Triage Central. His appeal against dismissal was rejected by the employer on 5 January.

Before he was dismissed, John also happened to be in dispute with his



Help for the unemployed - not profiteering photo Alison Hill

new employer about the amount of redundancy pay that he was owed. By sacking him Triage has left him with nothing. In contrast the CEO of Triage Central Ltd, Kate Carnegie was awarded an MBE in 2011 for services to the unemployed. She is paid over £135,000 a year. Triage is a sub-contractor of Ingeus and Deloitte, both multinational companies.

John was not the only person disowned by Triage; John strongly supported and represented Giles Hudson. He was also on the picket line supporting John. Giles had been a victim of a horrific car crash that left him brain damaged. Against tremendous odds Giles has rebuilt his

life and became a competent trainer, though he required some support. Giles praised John, as his union rep, as one of the few people that helped him get back to work. Giles maintains that Triage would not employ him because of his disability.

Send messages of support to John and also write to Chris Grayling, the Tory minister to complain about Triage. Also write to Kate Carnegie, CEO of Triage, demanding the reinstatement of John Brookes.

• All the details are on the PCS Web site. [http://www.pcs.org.uk/en/commercial\\_sector/cs-news-and-events/defend-john-brookes.cfm](http://www.pcs.org.uk/en/commercial_sector/cs-news-and-events/defend-john-brookes.cfm)

## We need fighting trade unions

**Mike Aistrop**  
North West

In 1997 Alan Greenspan stated before the US Senate committee on Banking, Housing, and Urban Affairs, that one of the contributing factors for the US 'double digit' growth during the early 1990s was 'worker insecurity'.

Workers were so fearful for their jobs and future prospects that they were willing to forgo pay increases and union membership for the possibility of a 'secure' job.

With this in mind and having listened to a couple of Noam Chomsky discussions, Class War - The Attack

on Working People and Free Market Fantasies, Capitalism in the Real World, I was recently asked to lead a discussion while on a trade union reps' training course.

My idea was to try and define worker security and worker insecurity, find real examples of policies which supported security or insecurity, understand the purpose of these policies, the advantages and disadvantages, how the trade union movement should react and what the future looks like.

I split the group into two and set them off to find the supporting evidence for worker security and worker insecurity.

After 30 minutes, the group look-

ing at worker security found no policies which would lead to worker security.

But the group looking at worker insecurity found lots of examples, such as the 1% pay freeze for public sector workers, the 700,000 public sector job losses (which is more than the whole public sector in Scotland), changes to the employment tribunal procedures, pensions, increase in retirement age, social partnership policy, workfare, etc.

In the end we agreed that the only secure thing workers can look forward to in the future is insecurity and that the trade unions need to gear up for what is coming.

## Safe railways, not shopping malls

Craig Johnston, a member of the transport union RMT in Carlisle recently wrote a letter to his local paper challenging the Tory MP's proposals for station buildings. This is an edited version of his letter.

The Tory MP for Carlisle, John Stevenson wants to see new train operating company franchises given total control over stations. John's reasoning is that the stations can then be transformed into some sort of shopping mall where you can buy anything from a quality book to a smart tie.

I am sure most passengers - and certainly most rail workers in the city are more interested to know Mr Stevenson's views on the biggest topic of discussion in the railway industry at the moment - the McNulty report.

The last Labour government commissioned Sir Roy McNulty to do a review of the costs of our railways - we're told that (to their shame) Labour didn't ask McNulty to look at the benefits of re-nationalisation of the industry and how that could save money.

McNulty has made a number of recommendations - the widespread use of less safe Driver Only Operation for train services, closures of ticket offices, massive cuts in station staffing, more fragmentation and massive fare increases for passengers.

The loss of the frontline customer service roles - coupled with persistent attacks on what's left of things like on-train catering - will mean passengers will pay much more for less facilities, service and quality.

A few weeks ago it was announced that the Office of the Rail Regulator was to prosecute Network Rail over the Grayrigg train crash in our county - the report into the crash blamed unrealistic workloads and bad management for the incident - yet the same regulator is calling for more job cuts on the railway infrastructure. So much for unrealistic workloads!

Meanwhile, the Train Operating Companies continue to divert tax payers' money into the coffers



Safety before profit! photo Paul Mattsson

of their shareholders. Some of it is now leaving Britain altogether as the German and Dutch state railways are now major players over here. Cross Country, Arriva Trains Wales and Grand Central, together with much of the freight sector are owned by the German state railways. Northern Rail is a joint venture between Serco and the Dutch National Railway.

While John Stevenson babbles on about more retail opportunities at station outlets - the structure of our railways - and some of the remedies being proposed to sort out the mess of privatisation - are an absolute disaster.

No wonder Mr Stevenson highlights such superficial issues as shopping at stations. It was his party that made this mess in the first place.