

August/September 2011 Free/Donation

Southern Cross Goes Under

When the UKs biggest private care home provider Southern Cross announced on Monday that it could no longer afford to pay rent for its care homes and would cease operations it blamed falling local authority funding and rising rent prices. However, a closer look at the causes demonstrates the danger of allowing private companies to run essential public services.

Southern Cross, whose 750 care homes receive substantial funding from the tax payer, was purchased by US private-equity firm Blackstone in 2004. Blackstone floated the company on the stock market, making £630million in the process, and proceeded to strip its most profitable assets, making £1billion by selling off property belonging to the company. Southern Cross then continued to provide services by renting the care homes it previously owned. Blackstone sold its shares in Southern Cross in 2008 making a further £1 billion in profit and leaving behind a company crippled by the rising cost of rents.

Now Southern Cross has announced it cannot afford to pay its rent bill and the company will fold. As private investors make billions, the 31,000 elderly residents of Southern Cross' care homes face an uncertain future.

SWAN spoke to a care worker employed by Southern Cross who gave a worrying description of care standards at the private company;

"Very little of the profit the home made went towards funding the home as Southern Cross were clearly only interested in making money and didn't



seem to know or care about giving appropriate care".

The care worker also informed us that very little had been communicated to residents or staff at the care home about their precarious future;

"I was told by the administrator that he had heard something but had been forbidden to tell us anything. As far as I know residents haven't been told anything about what will happen to the home".

The Council and the landlord at this home are now searching for a new provider to deliver the service.

This is a particularly disturbing example of what happens when vital public services are put in the hands of private companies; taxpayers' money generates huge profits for investors while leaving service-users exposed and vulnerable and the taxpayer yet again to foot the inevitable bill of cleaning up the mess that is left behind.

written by the Support Workers Action Network, Edinburgh

# STARBUCKS STRIKE SOLIDARITY

Since July 7th, over 200 baristas at Starbucks 32 Chilean stores have been on strike over a pay and benefit dispute, the first strike ever by Starbucks baristas.

Despite the coffee being sold at US prices, the workers are currently paid a mere \$2.50 an hour, and have not had a wage increase in 8 years – in effect a significant wage decrease due to inflation. According to the workers, the wages are so low they are unable to afford to eat lunch, and so they are also demanding a lunch stipend, something Starbucks already provides to its Chilean managers. While the company policy is that workers get a free breakfast, no workers have actually received this.

The company has refused to talk to the union and instead engaged in a policy of misinformation against the striking workers, as well as threatened the non-unionized workers against joining the union and hired 300 scab workers to try and break the strike.

In response, on the July 23rd, 3 members of the Sindicato de Trabajadores de Starbucks Coffee Chile (Union of Starbucks Coffee Workers of Chile) have escalated the struggle by going on hunger strike.

Internationally, solidarity has been forthcoming from the Starbucks Workers Union (SWU), a section of the international union the Industrial Workers of the World (IWW),

# Calling In Sick

One in three workers are happy to admit to phoning in sick to win back some free time from their bosses, according to a survey by PwC.

Workers revealed that the reasons they are most likely to decide to take some free time without permission are that their work was depressing and dull and they wanted to escape it; to try and enjoy life by swapping the tedium of work for enjoying the weather or some 'romance'; to live up to their family commitments; or to recover from a hangover.

As usual, there were a flurry of newspaper articles condemning workers for their attempts to win some respite from the demands of work, as well as management firms offering advice to bosses on how to cut down on workers winning back free time in this way. However for many workers, sick days are but one of the ways they try and make their lives more pleasant. Calling in sick, socializing on work time, taking short cuts and long breaks, as well as countless other tactics, are all ways that workers find to fight back against having their time stolen from them and improve their quality of life. Just as the decline in strikes was accompanied by a rise in sick days, any success bosses have in cutting down on sick days will push workers resistance into other avenues.



which has declared a Global Week of Action in solidarity with their Chilean co-workers. Actions will be occurring in the US, UK and Australia, with the IWW organizing an undisclosed event in Seattle, the home of Starbucks, during the week.

The actions will also highlight the attempt by the Starbucks Workers Union to win the reinstatement of New York City Starbucks barista and mother of two Tiffany White-Thomas, the latest in a long line of Starbucks workers the company has attempted to victimize but who, with the solidarity of their fellow baristas and the SWU, have fought back.

Starbucks claims that, for its workers, a union is unnecessary. Starbucks workers disagree.

## BRITISH SUGAR BALLOTS STRIKE

Workers at British Sugar factories in Wissingham, Cantley, Bury St Edmunds and Newark in the east of England are considering strike action over pay.

Around 250 workers organized in the Unite union have rejected a sub-inflation 3.5% pay increase (in reality, a pay cut), and are being balloted over striking in favour of a 5% wage increase in line with the retail price index measure of inflation, plus 0.5% for the year after April 2011.

British Sugar, who are a subsidiary of Associated British Foods which made £569,000,000 profit in 2010 and has been targeted by UKUncut for tax dodging, claims that the pay cut is fair and that the GMB, which also represents some workers in the factories, has accepted the offer. However, one GMB organizer has politely described this claim as "mischievous", and pointed out that GMB members were balloted and backed action, but fell short of the 2/3rds majority the GMB requires of its ballots to initiate strike action.

The organizer stated that the GMB would encourage its members not to cross Unite pickets.

### South Africa Strike Season

Hundreds of thousands of South African workers have been taking action over pay as South Africa enters what could be a record breaking 'strike season'.

In early July, 170,000 metalworkers walked out and staged large demonstrations in the countries main cities demanding 13% wage increases and a ban on the practice of hiring workers through agencystyle labour brokers. The bosses had initially only offered a 7% wage increase, which union members argued was not enough to cover food, electricity, water and petrol prices, but after two weeks of strike action they caved in and signed an agreement granting workers staggered wage increases from 8% to 10% over three years, amongst other concessions.

Whilst the metalworkers were out, they were joined on July 11th by over 70,000 petroleum, chemical and packing workers demanding wage increases of between 11% and 13% with a minimum wage of R6000 (£546) a month. The strikes, combined with panic buying, caused over 1/5th of petrol stations to run dry and many others to run low, with petrol stations in the countries economic hub particularly affected. Taxi and bus companies were also affected, and with the increased travel promised by the start of school terms the economic pressure on the employers was beginning to mount. After three weeks attempting to weather the strike they too caved in, and wage increases of between 8.5% and 10% were won - a sizeable increase on what had been offered by the bosses before the strike.

The third major sector of the South African working class to strike has been the mineworkers, who have downed tools in diamond, coal and gold mines. The average miner earns R3,800 (£346) a month, with diamond, coal and gold companies offering wage increases of 5%, 7-8.5% and 7-9% respectively, despite mine workers arguing they needed increases of at least 11% to keep up with price hikes in food, water, electricity and petrol. In response, diamond mine workers walked out on July 22nd demanding a 15% wage rise, followed by coal and gold miners demanding 14% when they went on strike on the 24th and 28th respectively. The strikes involve tens of thousands of workers from each of the three sectors, and have already shut down all of the countries diamond, coal and goal mines. At the time of writing the strikes are ongoing, although the diamond companies have already upped their wage offer to 7% in response to the workers actions. South African platinum miners have also been in negotiations with their bosses, demanding 20% wage increases.

# Kennedy

We republish, in edited form, a press statement by Abahlali baseMjondolo, a South African shack-dwellers movement from the city of Durban, concerning the release of 12 local Abahlali baseMjondolo militants after the case brought against them by the South African government collapsed:

Today the Durban Regional court has acquitted all of the Kennedy 12 accused of murder, attempted murder, armed robbery, public violence and damage to property. The prosecution failed to make any case against any of the accused on any charge. We have always been saying that these charges were fabricated and politically motivated. This emerged clearly in the court. The Magistrate said that the evidence brought before the court was contradictory, unreliable, not credible, had serious discrepancies and was concocted. No court in the world could find the accused guilty without any evidence at all against them. The court has agreed that there was fighting and killing, but that it was not carried out by the accused. The Magistrate was saving all these things because our legal team had applied for acquittal under Section 174 of the Criminal Procedure Act. The Magistrate had no option but to grant that application to have the accused acquitted because it was clear that there was no evidence against any of the accused and that there had been an attempt to frame them.

# Twelve

Today it has again been shown that there will be high price paid in the struggle for justice and a better society. We salute our comrades, the Kennedy 12, who have paid a very high price not just for Abahlali baseMjondolo but for all the poor in South Africa who are suppressed every day when they try to resist their repression. This is a lesson to all those who have chosen to be our enemies - Abahlali baseMjondolo will defeat you in the streets and in courts. We are many and we have proven to the world that we have the courage to stand together and to face repression and lies. We will celebrate this hard won Victory. Our meeting will discuss our celebration plans.

Freed

Those in High authority within the eThekwini Municipality and those in the KwaZulu Natal legislature who abused their power to engineer this attack on our movement have been exposed to the world. This was not just an attack on us but an attack on our hard won democracy. From today, as always, our movement will go forward without any fear of any thuggery from any politician. We will continue to stand together and to find courage in our unity.

The likes of Henrick Bohmke and his associates have been exposed to the world as the liars that they are. The regressive left that would rather support state repression against a movement than to allow the poor to organise ourselves and to speak for ourselves has been exposed for what it is.

# Southampton

Last month workers in Southampton carried out a week of targeted strike action against brutal cuts imposed by the local council.

The strikes follow months of anti-cuts action by locals, but the immediate cause of the dispute was the council's demand for workers to take a pay cut and accept hundreds of job losses. When these demands were rejected by the workers' unions, the council announced that the entire workforce was sacked - saving that any worker who reused to sign the new contracts the council had drawn up would lose their job. At the same time, a leaked document showed that 1200 workers, a quarter of the workforce, would be laid off over the next few years anyway. The response from said workforce was, unsurprisingly, furious.

Workers from across the public sector in Southampton took part in the strikes, which were planned to cause maximum disruption to the running of local government. Those stopping work included binmen, health inspectors, parking wardens, street sweepers,

### **Strikes** Back

childcare workers, library workers and social care workers among others. A protest march through the town attracted hundreds of workers, ending by protesting outside the local guildhall during a meeting of the council. Despite significant disruption to the life of the town, including festering piles of rubbish in the streets, most workers reported that support from locals remained strong.

While most of Southampton's workers have had to sign the new contracts, under protest, there are still groups of workers who have not who now face the prospect of lockouts, and the struggle isn't over yet. Unite and Unison, two unions associated with the week of action, say they are pursuing legal action on the grounds of unfair dismissal of council staff. As we go to press, a one day strike by social workers has been extended to a full seven days, continuing into the beginning of August, to coincide with strikes by workers in other sectors including adoption, fostering and childcare over the next few days.

## Strike at **Liverpool School**

Staff at Shorefields College in Dingle, Liverpool, have taken further strike action against plans to impose academy status, under sponsorship of Chester University.

This was the third strike and the first to involve teachers from both teachers unions at the college (the NUT and the NASU-WT), as well as support staff in the GMB union. The picket line was well supported by the local community, including parents and students. Liverpool Solidarity Federation, who are supporting the ongoing campaign against Shorefield's being made an academy, noted the opportunist and hypocritical presence of the Labour councillor who insisted that "we're fighting hard on our end", before leaving the picket line to head for 'Sure Start Centres to talk to them about the closures that she was helping to implement.'

## **Teachers Win** Reinstatement of East London Militant

Last month teachers at Cardinal Pole school won the reinstatement of union representative Peter Domokos, after threatening strike action.

Peter was involved in an ongoing investigation into serious charges against the Hackney school's management, when that same management ordered his suspension. According to Hackney NUT (National Union of Teachers), previous reps at the school had complained of being 'bullied and harassed by management': clearly the bosses at Cardinal Pole were up to their old tricks.

Workers at the school responded with an overwhelming strike ballot, with nearly 90% of members voting for 'sustained and discontinuous action' to protest against this victimization. This followed a vote of no-confidence in the school's head from over 50 members of staff. The vote was swept under the carpet and barred from discussion at a governors meeting. But while management ignored the vote, they couldn't ignore the threat of strike action. Three days before the planned strike they caved in, agreeing to reinstate Peter with an 'oral warning' and that no further disciplinary action would be taken. The school also agreed to a series of meetings with the NUT in an attempt to appease the teachers' other grievances.

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## ANARCHIST FEDERATION

The Anarchist Federation is an organisation of class struggle anarchists (based in Britain and Ireland, but with many contacts overseas) which aims to abolish Capitalism and all oppression to create a free and equal society. This is Anarchist Communism.

We see today's society as being divided into two main opposing classes: the ruling class which controls all the power and wealth, and the working class which the rulers exploit to maintain this. By racism, sexism and other forms of oppression, as well as war and environmental destruction the rulers weaken and divide us. Only the direct action of working class people can defeat these attacks and ultimately overthrow capitalism.

As the capitalist system rules the whole world it's destruction must be complete and world wide. We reject attempts to reform it such as working through parliament and national liberation movements (like the IRA) as they fail to challenge capitalism itself. Unions also work as a part of the capitalist system, so although workers struggle within them, they will be unable to bring about capitalism's destruction unless they go beyond these limits.

Organisation is vital if we're to beat the bosses, so we work for a united anarchist movement and are affiliated to the International of Anarchist Federations.

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