

# CARILLION CRISIS SHOWS CHAOS OF PRIVATISATION

# WE DEMAND ACTION TO SAVE JOBS AND SERVICES

- No worker to lose a job, pay or conditions over Carillion's crisis
- No cuts to public services. End austerity now
- Scrap PFI. Bring all privatised services back into direct public ownership with decent pay and conditions for all public sector workers. End the pay freeze
- No bailouts or compensation for the fat cats
- For Jeremy Corbyn and the trade union leaders to mobilise for a mass turnout for the 3 February NHS demo as the start of a movement to get the Tories Out!



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# END PRIVATISATION NOW TORIES OUT!

Tens of thousands of Carillion employees will have gone to work this morning wondering what will happen to their jobs and pensions after the company announced that it is going into liquidation.

The future of the workers must be the priority. No worker should lose their job or pension.

However, no doubt the Tory government will be more interested in trying to avoid being implicated in yet another scandal.

The biggest disgrace is that Carillion, like many others, has profited for so long from privatised and outsourced public service contracts under successive Tory, New Labour and Con-Dem governments.

Carillion has been handed extensive contracts for providing public services in prisons, hospitals, schools, military sites, libraries and major construction projects (including building Royal Liverpool Hospital and Midland Metropolitan Hospital in Sandwell - both presently well behind schedule).

Even the arch Thatcherite newspaper City AM warned that these deals "imperil public faith in business and the very principles of a market-led economy."

## ALL IN IT TOGETHER

Apparently, Carillion is building the new HQ in Birmingham city centre of PricewaterhouseCoopers, the accountancy firm which is overseeing the administration of Carillion!

The Times quotes former New Labour transport secretary Lord Adonis, who resigned last month as the head of the National Infrastructure Commission.

He is now correctly asking why Carillion was seemingly buoyed up by the Tories who awarded the company a further £2 billion worth of contracts (on top of the eye-watering £16 billion it already had) long after its financial problems emerged.

But the Blairites in office were part and parcel of this neoliberal privatisation offensive which enriched companies like Carillion and put them at

the heart of public services such as the NHS.

The effect on those who worked in these services and the public has been devastating, as profits are made at our expense.

Carillion - a multinational based in Wolverhampton - employs around 50,000 workers worldwide, nearly 20,000 of them in the UK.

The Tory government paid Carillion £1.7 billion in 2016 - a third of the company's income.

When Carillion went into financial loss last year, its chief executive Richard Howson resigned - with his £688,000 a year pay and benefits package being paid to him for a year after he left. The present interim CEO, Keith Cochrane, has been on a salary of £750,000.

## BRING CONTRACTS BACK

Carillion has been part of the 'race to the bottom,' including in construction, where it was forced to admit its role in blacklisting after the heroic campaign by victimised workers.

In 2012-13, 200 outsourced workers employed by Carillion at the Great Western Hospital in Swindon took strike action against job losses and pay cuts.

The Financial Times reports that the opening of the Royal Liverpool Hospital has been delayed because of construction faults such as cracks in the concrete beams.

These parasitic companies can't regulate themselves. This scandal must be the signal for this policy to be reversed. There must be no bailouts or compensation for the fat cats.

We support the call of Mick Cash, the general secretary of the transport union RMT: "The infrastructure and support works must be immediately taken in house with the workforce protected."

In London the RMT has called on London mayor Sadiq Khan "to take immediate measures to bring Carillion's London rail contract work into direct public ownership through Transport for London with guaranteed protection for the workforce, their jobs, pay, conditions and their pensions."

This must be applied to all outsourced workers in the public sector.

Labour's shadow business secretary Rebecca Long-Bailey is quoted as also calling for Carillion's workers to be taken back in house, which is to be welcomed.

## RENATIONALISE!

And this is the perfect opportunity for Jeremy Corbyn to reiterate his general election commitment to renationalise the railways, which would include bringing cleaners and other outsourced workers back in house.

Corbyn should also call for Carillion's accounts to be opened and scrutinised by the workforce and the unions. The company should be taken into public ownership with compensation paid only on the basis of proven need.

He should also use this scandal to put himself and the trade unions at the head of the 3 February demonstration against the winter crisis in the NHS, called by Health Campaigns Together and the People's Assembly.

Labour and the unions should immediately pledge to finance trains and buses from every area to come to London for a mass mobilisation to force out the Tories who, along with their big business friends, are destroying the NHS and our public services.

## NSSN CONFERENCE 2018

11am-4.30pm  
Saturday 30 June

Conway Hall,  
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