

Corporations Out of Health Care

O C H U

ONTARIO COUNCIL OF HOSPITAL UNIONS

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Profit does not have a place in Ontario health care. OCHU has long since argued against contracting-out health care work to for-profit corporations and businesses. Paying for profit is a waste of tax-payers' dollars¹ and usually contributes to poor health care quality which is dangerous to the public and to workers. Little training, few supplies, feeling rushed, high staff turnover, high staff injury rates, little team work and poor working conditions are often the problems of working for health care corporations.

Poor Working Conditions, Health and Safety Violations, Threats and Firings²

One of the ways health care corporations cut costs in order to make more profit is to cut wages and worsen working conditions. Corporations have also promoted anti-union sentiment. The Hospital Employees Union (HEU), CUPE's health care affiliate in British Columbia, helped launch the "Living Wage" campaign in 2007 to highlight the low wages of Sodexo, Compass (Marquise) and Aramark staff with the message that "work should lift you out of poverty, not keep you there".³

Sodexo:

**Protests against "sweatshop-like" conditions* including racism in hiring and promotions, poor wages, sexual harassment and an unfair sick-leave policy prompted a protest in six countries in June 2011⁴ and American university protests including May 2011 at Ohio State University and University of Washington.⁵ In January 2011, TransAfrica Forum released a report about the mistreatment of workers by Sodexo in five countries: Morocco, Columbia, the Dominican Republic, France and the U.S.⁶

¹ Private contractor cost overruns are notorious. Recent public sector examples are noted in a CUPE fact sheet "Facts about solid waste services." (2010, May 18). <http://cupe.ca/privatization/solid-waste-services>. Abandoned contracts also add to cost contractor cost overruns paid by the taxpayer. For instance, see this story explaining how Sodexo abandoned a food preparation plant halfway through the contract in Tennessee in 2007 in Hodge, Hope. (2011, April 4). "Company supplying food Lejeune subject of controversy." *MCT Regional News*. Jacksonville, North Carolina.

² For more information, click on the Hospital Employees Union web site at www.heu.org

³ "Living Wage Campaign." from <http://www.heu.org/campaigns-issues/living-wage-campaign>. Retrieved [August 31](#), 2011

⁴ Glasstetter, Josh. (2011, June 7). "Sodexo Workers and Global Union Coalition Take Action for Workers Rights - Events in Six Nations." http://cleanup.sodexo.org/2011/06/sodexo-workers-and-global-union-coalition.php?utm_source=twitterfeed&utm_medium=twitter

⁵ Pyle, Encarnacion. (2011, May 24). "Police break up campus protest at Gee's office." *MCT Regional News*. Ohio and Wong, Queenie. (2011, May 20). "Anti-Sodexo student group stages another sit-in at UW." *MCT Regional News*. Seattle. For more information, click on <http://kickoutsodexo.usas.org/>

⁶ TransAfrica Forum. (2011, January). *Voices for Change: Sodexo Workers From Five Countries Speak Out*. <http://transafrica.org/wp-content/uploads/2011/01/Soxedo%20Report%20Final%20with%20graphics%20Jan%202011.pdf>

**Racial Discrimination Lawsuit*: A billion dollar class-action racial discrimination lawsuit was filed in the United States against Sodexo. Sodexo settled by paying \$80 million to thousands of racialized employees. The staff argued that Sodexo promotions were based on personal preferences rather than criteria-based and that racism ensued⁷

**Workers fired and threatened*: A 2010 Human Rights Watch report found that Sodexo threatened and fired workers who tried to unionize. Evidence was gathered from U.S. labour decisions, employee court testimony and worker interviews⁸

**Strikes*: 1400 health care staff represented by the Hospital Employees Union (HEU), CUPE's health care affiliate in BC, went out on a seven-week strike against Sodexo in 2005 mainly over rock-bottom wages. For instance, workers doing important hospital cleaning work made about \$10/hour before the strike and about \$13/hour after the settlement.⁹ There have been other strikes against Sodexo in many different countries including the United Kingdom¹⁰

**Anti-Union*: A 1998 Sodexo handbook for managers explained how to "avoid" unions in the workplace. The manual advocates "banning union activity from company premises, encourages managers to talk on a one-to-one basis to try and dissuade employees from joining a union and informing a potentially striking employee that he (sic) can be replaced if he does strike"¹¹

Compass:

**Health and Safety Violations*: WorkSafe BC (British Columbia government's health and safety agency) failed Compass in two inspection reports from 2008 and 2009. Health care cleaning workers did not have access to PPE (Personal Protective Equipment) such as goggles, chemical gloves and boots, and respirators that caused skin irritations, respiratory problems, hair loss, and nose inflammation¹²

⁷ Sodexo: Corporate Crimes. *Powerbase* web site. August 14, 2007

<http://www.powerbase.info/index.php/Sodexo: Corporate Crimes> and "Sodexo Alliance." (2009, April 3). *Knowmore.org* http://knowmore.org/wiki/index.php?title=Sodexo_Alliance and West, Karl. (2009, February 24). "Sodexo under fire over defence deal; city FOCUS." *Daily Mail*, London UK.

⁸ A Strange Case: Violations of Workers' Freedom of Association in the United States by European Multinational Corporations. (2010, September). *Human Rights Watch* http://www.hrw.org/sites/default/files/reports/bhr0910web_0.pdf in Olive, David. "America, the world's sweatshop" (2011, May 11). *Toronto Star*.

⁹ "Sodexo workers ratify Ready recommendations" (2005, December 9) and "LRB appoints Vince Ready as mediator in Sodexo dispute" (2005, November 4). www.heu.org

¹⁰ Sodexo profile. (2009, April 3) www.knowmore.org

¹¹ Crocodyl: Sodexo profile, downloaded August 16, 2011 http://www.crocodyl.org/wiki/sodexo_alliance and "Sodexo Alliance." (2009, April 3). *Knowmore.org* http://knowmore.org/wiki/index.php?title=Sodexo_Alliance

¹²Spalding, Derek. (2010, May 21). "Housekeeping linked to C. diff; Documents show experts blamed cleaners for illness." *Harbour City Star* and "WCB issues orders to VIHA cleaning contractor." (2009, January 7). *HEU News Release*.

Aramark:

*In 2008, Aramark workers went on strike at Markham's Seneca College fighting to raise their less than \$10/hour wages¹³

Veolia (a SteriPro Parent Company):

*The Transport Salaried Staffs' Association – a UK based union – in October 2006 said that Veolia (formerly Connex) was found guilty of breaking employment law¹⁴

Investigations and Fraud Allegations: Can These Corporations Be Trusted?

For-profit health care corporations often have long lists of fraud charges associated with their names. Sodexo, Compass, Aramark and Veolia are no exception.

*In June 2011, the U.S. Department of Agriculture began investigating Sodexo, Compass (and the Compass affiliate Chartwells) and Aramark for the possibility of withholding discounts from school districts otherwise known as fraud. The same companies were found in 2005 to *not* pass on savings to school districts to the tune of \$1.3 million. Another \$4.7 million may also "be missing" but U.S. Department of Agriculture auditors couldn't determine this because of the type of accounting systems used by the corporations!¹⁵

Sodexo:

*In July 2010, Sodexo paid \$20 million to New York state after it allegedly overcharged for food in public schools¹⁶

*Accounting "irregularities" occurred for Sodexo in Ireland and the UK in 2002 which was the likely cause of a 30 per cent drop in Sodexo stock price at that time¹⁷

¹³ CUPE 79. (2008, March 14). "Letter to Rick Milner supporting the striking Aramark Food Service and Cleaning workers at Seneca Colleg." http://local79.ca/index.php?option=com_content&view=article&id=286:letter-to-rick-milner-supporting-the-striking-aramark-food-service-and-cleaning-workers-at-seneca-college&catid=25:recent-letters&Itemid=12

¹⁴ Global Investment Watch. (2008, November 6). "Veolia Environnement: A Glass Half Empty?" <http://globalinvestmentwatch.com/veolia-environnement-a-glass-half-empty/> Retrieved August 26, 2011. And "Richard Rosser, general secretary of the Transport Salaried Staffs' Association rail union, said: "This news is not surprising - Connex has always been the problem child of the privatised railway. Its passengers and its employees have certainly felt the brunt of poor performance in the past." in Tran, Mark. (2003, June 27). "Only Connex". guardian.co.uk

¹⁵ Shah, Nirvi. (2011, June 24). "USDA to Probe Companies Running School Cafeterias." *MCT Regional News*. Bethesda, Maryland.

¹⁶ Karlin, Rick. (2010, July 21). "Cuomo: Sodexo swallows fine." *Capitol Confidential*. <http://blog.timesunion.com/capitol/archives/29802/cuomo-sodexo-swallows-fine/> and Stamford, Janie. (2010, July 22). "Sodexo agrees to pay New York State \$20 m." *CatererSearch.com*. <http://www.caterersearch.com/Articles/2010/07/22/334368/sodexo-agrees-to-pay-new-york-state-20m.htm>

*In 2001, France's *Competition Council* fined Sodexo for forming an anti-competitive alliance with two other companies¹⁸

Compass:

*All of the contracts with Eurest Support Services were suspended (parent company Compass Group) when a United Nations (UN) officer pleaded guilty to corruption and wire fraud charges. The UN officer sent the executives at the Compass affiliate documents illegally. Eurest (or Compass) was providing food for UN troops in Africa in a contract worth at least \$237 million. Compass is involved in a congressional inquiry, U.S. federal criminal investigation and a probe by the UN as a consequence¹⁹

Veolia:

*There is a class-action lawsuit on behalf of 250,000 customers in Indianapolis that alleges that Veolia overcharged customers by overestimating their water usage²⁰

*Veolia was made to pay \$746,600 American dollars when it was found guilty of colluding with a former Rockland, Maine sewer superintendent in order to win a contract²¹

Proper Staffing Levels: How Can Health Care Staff Working for Corporations Be Expected to Produce Quality?

Although public health care providers have cut and are currently cutting staffing levels, health care staff working for corporations have seen low staffing levels and poor management for a long time. Not enough workers who are rushed, poorly trained and with inadequate supplies - often working with little teamwork, poor supervision and high staff turnover affects quality.

*In 2010, a Québec thinktank²² released a study that described Canadian patients not eating and losing weight as hospital food was awful when it was contracted out to corporations²³

*In 2008, the government of Scotland ordered an end to the corporate delivery of "cleaning, catering and clinically related soft facilities management services" due to quality concerns. C. difficile and other "superbugs" were increasing after cleaning work was contracted-out²⁴

¹⁷ Sodexo: Corporate Crimes. *Powerbase* web site. August 14, 2007

http://www.powerbase.info/index.php/Sodexo:_Corporate_Crimes

¹⁸ Sodexo: Corporate Crimes. *Powerbase* web site. August 14, 2007

http://www.powerbase.info/index.php/Sodexo:_Corporate_Crimes

¹⁹ Russell, George and Claudia Rosett. (2006, February 10). "U.N. Procurement Scandal: How Far Did the Inside Information Travel?" *FoxNews.com*. http://www.foxnews.com/printer_friendly_story/0,3566,184495,00.html

²⁰ Welch, Mary Agnes. (2010, May 21). "Veolia defends record as critics line up." *Winnipeg Free Press*.

²¹ Lightman, A, Rockland. (2008, July 1). "Sewer corruption case began in 1998; Firm pays up, ending scandal." *The Patriot Ledger*. In <http://www.powerbase.info/index.php/Veolia> Retrieved August 26, 2011.

²² Institut de recherche et d'informations socio-économiques (IRIS) at www.iris-recherche.gc.ca

²³ Derfel, Aaron. (2010, February 2). "Superhospital food under study; Think tank foresees problems; Outsourcing meal service will hike costs, lower quality, new report contends." *Montreal Gazette* and Hébert, Guillaume (2010, February). "New CHUM/MUHC: By outsourcing food service?" IRIS. http://www.iris-recherche.gc.ca/publications/nouveaux_chumcuscum_vers_la_sous-traitance_des_services.pdf

*In 2005, a *Centre for Policy Alternatives* study found the low wage/high staff turnover conditions of privatized cleaning led to declining British Columbia hospital hygiene.²⁵ Low staffing levels and a lack of teamwork were also found to deteriorate hospital cleaning in BC²⁶

Sodexo:

*In New Mexico in May 2011, dangerous food was reported at an elementary school. At a press conference, workers at Colinas del Norte Elementary school said that they were told by Sodexo to serve green burgers, moldy bread and smelly lunchmeat. Non-unionized workers took pictures to protect themselves from being fired²⁷

*It was reported in May 2011, that the Sodexo jail in Scotland had received more than double the number of complaints than any other Scottish jail since it opened in December 2008.²⁸ The Prison Service Union argues that the staff levels are too low causing high levels of violence²⁹

*In Hamilton at the Chedoke hospital and McMaster University Medical Centre before 2002, public employees had to come in to clean areas the private contractor cleaners didn't have time to clean. Sometimes blood and urine were still left on the walls at the Hamilton hospitals³⁰

²⁴ <http://cupe.ca/updir/LetterreScottishcontractingout.pdf>. (Health Finance Directorate. John Matheson. Re. Outsourcing of Soft Facilities Management Services in NHS Scotland. October 20, 2008.) "Superbugs" are a term for bacterial infections that currently do not have an anti-biotic cure.

²⁵ Pollak, Nancy. Cohen, Marcy. Stinson, Jane. (2005, April 27). *The Pains of Health Care Privatization*. Canadian Centre for Policy Alternatives.

<http://www.policyalternatives.ca/index.cfm?act=news&do=Article&call=1088&pA=A2286B2A&type=5>

²⁶ "Contracting out led to a breakdown in teamwork, which is an essential determinant of high quality care in healthcare facilities. When cleaners are part of the healthcare team, they are able to respond to nursing and patient requests for extra help. When cleaners were contracted out at St. Paul's hospital in British Columbia, they were not allowed to talk with patients or to ask nursing staff for help." (Pollack, N. (October 2004). *Falling Standards, Rising Risks: Issues in Hospital Cleanliness with Contracting-out*. Vancouver, BC. Available online at http://www.heu.org/~DOCUMENTS/research_reports/falling_standards_rising_risks.pdf) in Jansen, Irene. (2009). Healthcare Associated Infections: A Backgrounder. CUPE Research. <http://cupe.ca/health-care/health-care-associated-infections>. "In some facilities, nurses were prohibited from speaking directly with cleaners, having to call an external number to register spills, for example." Jansen, Irene. (2009). Healthcare Associated Infections: A Backgrounder. CUPE Research. <http://cupe.ca/health-care/health-care-associated-infections>

²⁷ Briseno, Elaine D. (2011, May 18). "Food Fight: Briseno Moldy Buns at School?" *MCT Regional News. Albuquerque Journal*, New Mexico. "Workers, Roybal-Mack (a worker at the school) said, were instructed to scrape off the mold from some hamburger buns and serve them. Roybal-Mack said workers also complained that on a different occasion there was lunchmeat that had a bad odor and was discolored...Roybal-Mack said the workers contacted the State Bar of New Mexico because they were afraid the children at the school would get sick and they wanted parents to know what was happening...She said the workers were reprimanded when they threw away food and feared retaliation for speaking out. They took pictures, she said, to protect themselves from being fired."

²⁸ McEwen, Alan.(2011, May 30). "80 complaints a week made by inmates at private prison." *Evening News. Edinburgh, Scotland*.

²⁹ Reynolds, Rory. (2011, March 10). "Inspector slams private jail over high levels of violence." *Evening News. Edinburgh, Scotland*.

³⁰ Mike Walters, CUPE 4800 in Tom Walker (2002, May 1). *Who is Sodexo?* HEU and CUPE BC at www.labournet.net/world/0209/sodprofile.pdf viewed 30/08/03 in http://www.crocodyl.org/wiki/sodexo_alliance 2007.

*In 2005, a WCB inspection report for a hospital cleaned by Sodexo in Surrey, BC stated that Sodexo did not have an adequate occupational health and safety program, insufficient training and poor cleaner supervision. In that same hospital, new mothers suffered serious post-Cesarean birth infections³¹

*In 2001, in Cape Cod, Massachusetts a “thumb” sandwich was served up when an automatic slicer was not cleaned after a Sodexo worker cut her thumb at Barnstable High School³²

Compass:

*In 2011, the University of Winnipeg dumped the Compass food contract due to poor food quality and now offers more nutritious local food.³³ University president Lloyd Axworthy says that the university made a million dollars more this year since ending the contract with Compass³⁴

*In 2010, a fingernail was found in the Compass soup at the Peterborough hospital³⁵

*In 2010, a British Columbia *Centre for Disease Control* report was released that showed Compass did not train its hospital cleaning staff properly, did not hire enough cleaning staff and over-diluted cleaner to produce dangerously unclean conditions in BC health care facilities³⁶

*In British Columbia in 2008 and 2009, *WorkSafe BC* reported a lack of proper training of Compass health care cleaning staff. Improper cleaning was one of the main reasons for a deadly 2008 *C. difficile*³⁷ outbreak said infection-control experts with the Vancouver Island Health Authority³⁸

*In 2011, Chartwells (a Compass Group company) received 18 food-safety violations in 21 London, England high schools³⁹

³¹ *OH & S Canada*. (2005, January 1). “Poor cleaning practices a health concern”.

³² *Cape Cod Times*. (2001, March 2). “Slicer not cleaned after worker cut her thumb” in Sodexo: Corporate Crimes. Powerbase web site. August 14, 2007 from <http://www.powerbase.info/index.php/Sodexo: Corporate Crimes>

³³ Fresh food starts losing its vitamins as soon as it is picked. For more information, click on <http://homecooking.about.com/od/cookingfaqs/f/faqcannedfood.htm>

³⁴ Allan, Doug. (2011, May 27). “University dumps corporate food – and gets fresh instead.” *Leftwords*.

³⁵ *The Belleville Intelligencer*. (2011, January 6). “Hospital food can be bad, but ...”.

³⁶ *Harbour City Star*. (2010, July 23). “Commissioner slams VIHA over secrecy; No reason for information delay over *C. difficile*.” And Matas, Robert. (2011, May 5). “*C. difficile* deaths at hospitals shouldn't be reduced to a numbers game.” *The Globe and Mail*. And BC Centre for Disease Control. (2010). “Investigation of a *Clostridium difficile* associated disease outbreak at Nanaimo General Regional Hospital August 2008.”

http://www.viha.ca/NR/rdonlyres/DD089EA3-E33F-4ED3-AE34-C08975093FEC/0/bccdc_cdad_investigation_report.pdf

³⁷ *Clostridium difficile* (*C. difficile*) is a health care acquired infection (HAI) - also known as a “superbug” since it cannot be cured with current antibiotics.

³⁸ Spalding, Derek. (2010, May 21). “Housekeeping linked to *C. diff*; Documents show experts blamed cleaners for illness.” *Harbour City Star*.

³⁹ O'Brien, Jennifer. (2011, March 9). “Bad eats ; Of 21 London high schools inspected by the Middlesex-London Health Unit, eight are written up with a total of 18 violations.” *The London Free Press*.

*In 2005, environmental health inspectors gave Morrison (Compass affiliate) a “high-hazard” rating for Royal Jubilee Hospital’s food-preparation areas in Victoria, British Columbia. Findings of the inspector’s report included: kitchen workers not wearing proper gear, food not being protected from contamination, inadequate cooling and refrigerated storage of food⁴⁰

Aramark:

*Poor management from Aramark may be linked to 16 hospital deaths due to C. difficile in the Niagara area during the early part of 2011 because of insufficient cleaning⁴¹

* In June 2011 a dead mouse was found in prison soup in one Kentucky prison where Aramark is hired to provide the food. Aramark has a \$12 million contract with the state to provide prison food⁴²

*In 2010, in Alberta, high school cafeterias run by Aramark had the most health violations according to *Alberta Health Services* restaurant health inspection reports. Violations included a lack of certified food safety training for workers as well as a lack of sneeze guards⁴³

*HEU finally obtained the 2003 Aramark business case by the *Vancouver Coastal Health Authority* in 2008 after a 3 ½ year-long freedom of information request. The document showed that Aramark had cut the number of cleaning hours by 15% in their contract with the Health Authority – a reduction of 153,500 cleaning hours annually⁴⁴

*In 2005, in BC, an investigation by HEU and the BC Nurses’ Union found deteriorated cleaning standards at Vancouver’s St. Paul’s hospital six months after cleaning services were contracted out to Aramark⁴⁵

Veolia:

*Not long after Veolia began running Adelaide Australia’s water and sewage, there was a powerful smell known as the “big pong”. The government investigated and reported that it was due to inadequate monitoring and equipment failures by Veolia⁴⁶

⁴⁰ CUPE. (2005, July 21). “Innovation Exposed: An ongoing inventory of major privatization initiatives in Canada’s health care system.” from <http://cupe.ca/HealthCarePrivatization/InnovationExposed>: 2005 articles from pages 23 and 24.

⁴¹ Gillis, Wendy. (2011, July 7). “Niagara health system attacked; Politicians join protestors in voicing frustrations as C. difficile outbreak blamed for 16 deaths.” *Toronto Star*.

⁴² Honeycutt Spears, Valarie. (2011, June 3). “Kentucky inmate found dead mouse in soup.” *Lexington Herald-Leader*.

⁴³ Gerson, Jen. (2010, September 1). “Cleanliness at school cafeterias comes under fire; Cafeterias face health violations.” *Calgary Herald*.

⁴⁴ CUPE. “Privatization deal slashes hospital cleaning.” (2008, February 25). http://cupe.ca/privwatchfeb08/Privatization_deal_s

⁴⁵ “Privatized cleaning a health hazard.” (2005, January 28). http://cupe.ca/P3_Alert_January_2005/Privatized_cleaning_a_hea

The Corporate Environmental Record: Are These Companies Clean?

Environmental stewardship is an important part of preventing health care problems. Any corporation employed by the province should have a clean environmental record – correct? With some “digging”, often corporations can come up “dirty”.

*Sodexo was involved in the clearing of virgin mangrove forests in Nigeria before 2003, putting the indigenous Ijaw community under severe threat⁴⁷

*Sodexo has had contracts with numerous natural resource exploiting companies such as BP Amoco, Chevron, ExxonMobil, Occidental Petroleum, Shell, Texaco, Bechtel, Daewoo, Hyundai, Caspian Drilling, Rio Tinto and Halliburton⁴⁸

*Compass was fined \$225,000 in 2009 for failing to report that inadequately treated waste water dumped into the Athabasca River near Fort McMurray, Alberta⁴⁹

*Veolia (formerly known as Vivendi) subsidiaries received large fines in the United Kingdom for polluting the wider environment⁵⁰

The Struggle to Stop Corporate Takeovers and, Should We Work to Return All Health care Work to the Public Sector?

For all the reasons above (and more), OCHU is dedicated to preventing any corporate takeover of health care work in Ontario. Corporations can be much more difficult employers and it can be much more difficult to produce quality work when working for corporations.

For those OCHU members who currently work for health care corporations such as Sodexo, Aramark or Compass, changing your employer and working directly for a hospital or long term care organization, does not mean losing your job. In fact, your current working conditions could be in jeopardy if your employer changes to another corporation or, if the contract “flips”.

⁴⁶ Welch, Mary Agnes. (2010, May 21). “Veolia defends record as critics line up.” *Winnipeg Free Press*.

⁴⁷ www.earthisland.org/map/ltfrn_112.htm#africa viewed 08/07/03. Also see www.corporatewatch.org.uk/news/female_protest_nigeria.htm in Sodexo: Corporate Crimes. *Powerbase* web site. August 14, 2007 in <http://www.powerbase.info/index.php/Sodexho: Corporate Crimes>

⁴⁸ Sodexo: Corporate Crimes. *Powerbase* web site. August 14, 2007 From

<http://www.powerbase.info/index.php/Sodexho: Corporate Crimes>

⁴⁹ Healing, Dan. (2010, December 23). “Spill nets Suncor \$200,000 fine.” *Edmonton Journal*.

⁵⁰ [A Report by Public Citizen: Veolia Environment, a Corporate Profile](#), (p5-10) Accessed 15 October 2008 in *Powerbase* web site. <http://www.powerbase.info/index.php/Veolia> Retrieved August 26, 2011.

*At the Elisabeth Bruyere Centre hospital in Ottawa, CUPE 4266-04 represented Aramark workers doing housekeeping duties until 2006.⁵¹ In 2006, arbitrator Russell Goodfellow awarded the same wages as similar employees working for a public hospital. After this, the housekeeping contract was not renewed with Aramark and the work was brought in-house. No one lost their job, as all workers were transferred to the hospital and the wage increase remained⁵²

*In California, Local 3299 of the American Federation of State, County and Municipal Employees (AFSCME) won a four-year fight to end a food service contract with Sodexo in 2008. Nearly 200 workers, then employed by Sodexo, were taken in-house⁵³

*At Joseph Brant hospital in Burlington, Ontario, in 2011, however, the food services contract “flipped” from Aramark to Compass. Although jobs will transfer to Compass, there has been no guarantee that wages, benefits and the terms of the contract will transfer, including the members’ pension plan⁵⁴

*There was no guarantee that the same workers would be hired when the health care cleaning contract flipped from Compass Group to Marquise in Vancouver Island in early 2011⁵⁵

*CUPE has been fighting to uphold the arbitrated contract for CUPE 4429 health care workers at the Montfort Long Term Care Centre in Ottawa. The work was contracted out to Compass before 2006 and as of February 11, 2007 Compass ended the contract and the health care centre “flipped” the work to another contractor - Nova Services Group. Keeping the work contracted out has meant a continual struggle to uphold a major November 2006 arbitrated award where wages were raised from \$8.25 - \$10 per hour to \$16.63 per hour⁵⁶

*OCHU is involved in a campaign to prevent the corporate takeover of hospital food in Kingston, Ontario.⁵⁷ A university study about the possible privatization of Kingston hospital food is due out sometime October 2011.⁵⁸ In November 2010, Kingston city councilors passed a motion the “strongly encouraged” the Kingston hospital board to keep food services in-house.⁵⁹

⁵¹ CUPE 4540. “Memoire D’Entente entre Le Service de santé SCO et Le Syndicat Canadien de la Fonction Publique, Local 4540. Objet: Transfert des employés syndiqués du Service d’entretien ménager d’Aramark Canada Ltd. Au Service de santé SCO.”

⁵² Lancaster’s Collective Bargaining eNewsletter. (2006, November 30). Issue No. 1

<http://www.lancasterhouse.com/services/cb/cb-e-bulletin.asp>

⁵³ Christensen, Kevin. (2008, April 25) “AFSCME Wins Food Service Outsourcing Fight at University of California-

Davis.” *AFL-CIO Center for Strategic Research*. <http://blog.aflcio.org/?s=sodexo&cat=-11&submit.x=0&submit.y=0>

⁵⁴ OCHU Media Advisory. (2011, June 26).

<http://www.newswire.ca/en/releases/archive/June2011/26/c9244.html?view=print>

⁵⁵ Stueck, Wendy. (2011, April 11). “Hospitals toughen stand on cleanliness; Island health authority’s new housekeeping contract gives workers UV lights to make detailed sanitary checks of patients’ rooms.” *The Globe and Mail*. And HEU. (2011, August 12). “Update for HEU members employed by Compass at VIHA sites.”

⁵⁶ CUPE. (2007, February 6). “Montfort Long-term Care Centre’s shame: a two-tier wage system. Montfort skirting arbitration award by contracting out support services to new company.” And CUPE (2006, December 4). “Victory for Compass-employed workers at Montfort long-term care facility.”

⁵⁷ Click here for more information http://www.ochu.on.ca/kingston_general_hospital.html and www.kingstonfoodfight.ca

⁵⁸ “University to study food situation at Kingston hospitals.” (2011, May 2). *The Kingston Whig-Standard*.

⁵⁹ Hutchins, Bill. (2010, November 25). “City joins ‘outsourcing’ food fight at KGH.” *Kingston EMC*.

Interesting Facts and Figures on Compass, Sodexo, Aramark and Dalkia/Veolia (SteriPro)

Compass Group:

- A contract foodservice and support service company⁶⁰
- 8,857 offices world-wide, including 290 Compass headquarters – main office Chertsey, Surrey, England
- Canadian offices in every province, Tulita, North West Territories and Whitehorse, Yukon⁶¹
- Affiliated to Morrison, Chartwells, bought Beaver Foods in Canada⁶² and Marquise⁶³
- \$22,866.67 million in **sales** (gross) as of September 2010⁶⁴
- CEO Richard Cousins receives a base salary of 910,400 English pounds⁶⁵

Sodexo (formerly Sodexho Alliance):

- Contract foodservice and facilities management company⁶⁶ involved with military operations, oil and natural resource extraction, prisons (including immigrant detention centres in England) and lobbying for public-private-partnerships (P3s)⁶⁷
- 1,013 offices world-wide, including 25 Sodexho headquarters – main office Issy-les-Moulineaux, France
- Canadian offices in Québec, Nova Scotia, Ontario and British Columbia⁶⁸
- Bought Marriott in Canada⁶⁹
- \$19,375.12 **sales** (gross) as of August 2010⁷⁰
- CEO Michel Landel's salary, bonus and options was \$4.1 million in 2009⁷¹

⁶⁰ <http://www.compass-group.com/Who-we-are-group.htm> (retrieved August 25, 2011)

⁶¹ Hoovers, accessed August 16, 2011. www.hoovers.com

⁶² SCFP Quebec. (2003, December 16). *CUPE in Brief*.

⁶³ HEU. "Update for Compass VIHA members." (2011, August 12). <http://www.heu.org/publications/update-compass-viha-members>.

⁶⁴ Hoovers, accessed August 16, 2011. www.hoovers.com

⁶⁵ Moore, James. (2011, February 2). "Pirc targets excessive pay at Compass and Paragon". *The Independent*.

⁶⁶ "Contact Us." Sodexo Retrieved August 24, 2011.

⁶⁷ Sodexho Profile www.knowmore.org. Retrieved August 24, 2011.

⁶⁸ Hoovers, accessed August 16, 2011. www.hoovers.com

⁶⁹ SCFP Quebec. (2003, December 16). *CUPE in Brief*.

⁷⁰ Hoovers, accessed August 16, 2011. www.hoovers.com

⁷¹ Saltmarsh, Matthew. (2010, January 25). "U.S. Union Plans to Service Up a Protest at Sodexo's Annual Meeting" *The New York Times*.

Aramark:

- An American foodservice, facilities, and clothing provider supplying businesses, educational institutions, sports facilities, and health care institutions⁷²
- 1,716 offices world-wide, including 46 Aramark headquarters – main office Philadelphia, Pennsylvania, U.S.
- Canadian offices in every province except Prince Edward Island
- \$12,297.90 million in **sales** (gross) as of September 2010⁷³
- CEO Joseph Neubauer salary in 2010 of \$1 million U.S. dollars with \$1.35 million in bonuses⁷⁴

Dalkia (SteriPro and Sterience):

- SteriPro (affiliated with Dalkia) provides “outsourced surgical instruments reprocessing and sterilization services”. Services are often delivered under the *Sterience* brandname⁷⁵
- Hoovers (a corporate database website) lists 450 companies worldwide under Dalkia
- One of the locations - Dalkia Energia in Budapest, Hungary listed \$231.9 million in **sales** (gross)
- Dalkia Canada is a subsidiary of Veolia Environnement and Electricité de France⁷⁶
- Dalkia Canada is based in Toronto
- Dalkia Canada provides “utilities management and infrastructure management with a key focus on energy efficiency and environmental management”⁷⁷
- Veolia Environnement works in municipal and industrial sectors – in particular water, environmental services, energy services and passenger transportation⁷⁸
- Electricité de France is involved with energy and electricity including nuclear power⁷⁹
- Veolia Environnement (VE) CEO Antoine Frérot collected 1.2 million euros in 2010⁸⁰

⁷² "[Contact ARAMARK](#)," Aramark. Retrieved August 25, 2011.

⁷³ Hoovers, accessed August 16, 2011. www.hoovers.com

⁷⁴ Hoovers, accessed September 13, 2011 www.hoovers.com

⁷⁵ <http://www.dalkia.ca/en/services/surgical-sterilization/>. Retrieved August 26, 2011.

⁷⁶ Hoovers, accessed August 26, 2011. www.hoovers.com

⁷⁷ <http://www.dalkia.ca/en/about-us/> Retrieved August 26, 2011.

⁷⁸ <http://www.veolia.com/en/group/> Retrieved August 26, 2011.

⁷⁹ <http://about-us.edf.com/about-us-43666.html> Retrieved August 26, 2011.

⁸⁰ Total compensation. www.people.forbes.com

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